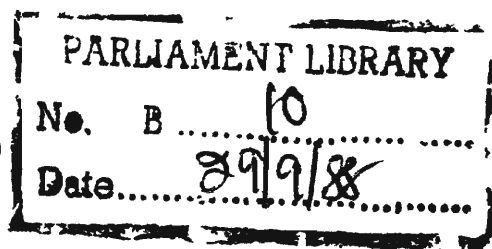


Eighth Series, Vol. XXXVI, No. 18,

Friday, March 18, 1966
Phalgun 28, 1909 (Saka)

LOK SABHA DEBATES (English Version)

**Tenth Session
(Eighth Lok Sabha)**



(Vol. XXXVI contains Nos. 11 to 20)

**LOK SABHA SECRETARIAT
NEW DELHI**

Price : Rs. 6.00

**[Original English proceedings included in English Version and
Original Hindi proceedings included in Hindi Versions will be
treated as authoritative and not the translation thereof.]**

CONTENTS

[Eighth Series, Volume XXXVI, Tenth Session, 1988/1909 (Saka)]
No. 18, Friday, March 18, 1988/Phalguna 28, 1909 (Saka)

COLUMNS

Oral Answers to Questions:

Starred Questions Nos.	344, 346 to 348, 350 and 351	... 1--31
------------------------	---------------------------------	-----------

Written Answers to Questions:

Starred Questions Nos.	345, 349 and 352 to 363	... 31--52
------------------------	----------------------------	------------

Unstarred Questions Nos.	3650 to 3688, 3690 to 3692, 3694 to 3737, 3739 to 3747, 3749 to 3793 and 3795 to 3884	... 52--305
--------------------------	--	-------------

Papers Laid on the Table	... 309-311
--------------------------	-------------

Committee on Absence of Members from the Sitting of the House--	... 311
---	---------

Eleventh Report- *presented*

Statement Re: Bandh on 15th March, 1988--	... 311--319
--	--------------

S. Buta Singh	.. 311
---------------	--------

Business of the House	... 319--326
-----------------------	--------------

Election to Committee Marble Products Export Development Authority	... 326--327
--	--------------

General Budget 1988-89-- General Discussion —	... 327--390
--	--------------

‘Shri E Iwant Singh Ramoowalia	. 327
--------------------------------	-------

* The sign + marked above the name of a Member indicates that the question was actually asked on the floor of the House by that Member

COLUMNS

Shri K.P. Singh Deo	.. 330
Shri Kali Prasad Pandey	... 345
Shri Ashok Shankarrao Chavan	... 349
Shri Jai Prakash Agarwal	.. 352
Shri Ajay Mushran	... 355
Shri C. Janga Reddy	... 359
Shri Narayan Datt Tiwari	... 362
Demands for Grants on Account (General), 1988-89	... 390-401
Appropriation (Vote on Account) Bill--	.. 401--404
Motion to Introduce/Consider	
Shri B.K. Gadhai	.. 401
Clause 2 to 4 and 1	... 403
Motion to pass--	
Shri B.K. Gadhai	... 404
Committee on Private Members' Bills and Resolutions--	404
Forty-ninth Report--adopted	
Resolution Re: Measures for Upliftment of Tribal people--Withdrawn	... 404--451
Shri Maurice Kujur	405
Shri Narayan Choubey	408
Shri Sriballav Panigrahi	.. 411
Prof. Saifuddin Soz	.. 417
Shri Sidha Lal Murmu	.. 420
Shri A.J.V.B. Maheswara Rao	.. 423
Dr. Chandra Shekhar Tripathi	.. 425
Prof. Narain Chand Parashar	.. 432
Dr. Rajendra Kumari Bajpai	... 435

COLUMNS

Shri Dileep Singh Bhuria	... 442
Resolution, Re: Centre-State Relations--	... 450--452
Shri H.M. Patel	... 450

LOK SABHA DEBATES

1

LOK SABHA

*Friday, March, 18, 1988/Phalguna 28, 1909
(Saka)*

*The Lok Sabha met at
Eleven of the Clock.*

[MR. DEPUTY-SPEAKER in the Chair]

[Translation]

SHRI V. TULSIRAM: Sir, Happy New Year to you.

[English]

MR. DEPUTY-SPEAKER: We also convey to your people in Andhra Pradesh a Happy New Year.

[Translation]

SHRI V. TULSIRAM: It is known as Ugadi in Andhra Pradesh. Here they call it New Year.

ORAL ANSWERS TO QUESTIONS

[Translation]

Campaign for bringing Ganga to Ghats

*344. SHRI JAGDISH AWASTHI: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government are aware of the campaign launched by the voluntary organisations and the people of Kanpur (U.P.) to bring Ganga to the Ghats;

(b) if so, whether Government propose to take some initiative and assist the people of Kanpur in this campaign;

(c) if so, the details in this regard; and

(d) if not, the reasons therefor?

2

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Yes, Sir.

(b) and (c). The Government of India will extend technical assistance to the Government of Uttar Pradesh in regard to proposals formulated by them. A Technical Committee was set up by the Union Ministry of Environment and Forests to examine the matter. The Government of Uttar Pradesh would consider the recommendations of the Committee and formulate project proposals.

(d) Does not arise.

SHRI JAGDISH AWASTHI: Sir, there was a severe problem of drinking water in Kanpur city and many years ago, the river Ganga changed its course by about 2 kilometres towards Unnao. This matter was taken up several times with the Central Government as well as Uttar Pradesh Government, but no concrete action has been taken in this regard. Thereupon, the people of all classes and communities sank their differences and started the digging work themselves from the 15th of January and as a result thereof, the U.P. Government has taken over this work from the 13th of March. But it is not a lasting solution. This problem can be solved only by constructing a barrage along the Ganga river. A technical Committee set up by the Central Government went there to conduct survey. I would like to know the time by which they will complete this work? The State Government cannot complete it without the help of the Central Government. I want to know the details of this scheme, the expenditure likely to be incurred by the technical committee, the expenditure estimated by the Committee and the time by which it will complete its work?

SHRIMATI KRISHNA SAHI: This technical committee was constituted in January, 1988 by the Ministry of Environment. The

fact is that though it was somewhat connected with our Ministry, yet it was constituted by the Ministry of Environment. So far as the recommendations of the Committee are concerned, the same are under consideration of the Committee at the final stage. The report has not been received yet.

SHRI JAGDISH AWASTHI: Previously also, a number of Committees had been sent there by the Central Government, but they did nothing. I want to know what talks were held with the State Government, what were its results and in what way the Central Government is going to help the State Government in future?

SHRIMATI KRISHNA SAHI: Although it relates to the State Government and it has no connection with our department, yet I would say that according to the information received, the State Government has undertaken this work from time to time. Two Committees were constituted at that time. This matter is going on since 1961. The State Government did some work on it in 1963 and 1968. The two Committees had suggested two different places for the construction of barrage. Therefore, to select an appropriate place for the barrage, a technical committee was appointed by the Ministry of Irrigation, which suggested a third place for the construction of barrage. But since this matter has become too old, a new technical committee has now been appointed. It is working and the report is likely to be received soon. This committee will submit its report to the Department of Environment and when this report comes to us after it is considered by the U.P. Government, we shall consider it.

[English]

DR. G.S. RAJHANS: Mr. Deputy Speaker, Sir, Ganga has left ghats at several places in Bihar, like Sultanganj, Bhagalpur and a number of other places. Will the hon. Minister let us know if any concrete steps would be taken to bring back Ganga to those ghats.

[Translation]

SHRIMATI KRISHNA SAHI: Mr. Deputy Speaker, Sir, this question is not related to Bihar. It is related to Uttar Pradesh. Separate notice should be given for this.

[English]

Steps to curb erosion along Ganga river

*346. SHRI ZAINAL ABEDIN:
SHRI GADADHAR SAHA:

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether considerable land is being lost owing to continued erosion process in the Ganga along Indo-Bangladesh border;

(b) if so, what concrete steps by Union and State Governments have been taken or are proposed to curb the erosion process; and

(c) to what extent the steps taken in the past have shown tangible results?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (c). A Statement is given below.

STATEMENT

(a) to (c). The Ganga river has been eroding its right bank at some places downstream of Farakka. The boundary between India and Bangladesh in this reach is a fixed one and does not depend upon the changes of the river course.

The Government of West Bengal set up a Committee in 1978 to study the problem of erosion. The Committee submitted its recommendations in January, 1980 and roughly estimated the cost of the protection work as about Rs. 294 crores out of which the estimated cost of protection of 94 kms. of the right bank of the river Ganga downstream of Farakka Barrage was about Rs. 198 crores. Due to paucity of resources, the Government of West Bengal prepared a

scheme estimated to cost Rs. 11.64 crores for protecting a total length of about 6.6 Kms. in 3 different vulnerable reaches; the State Government desired sharing of cost by the Ministry of Railways and the Ministry of Surface, Transport. The Ganga Flood Control Commission has advised the State Government to update this estimate in the light of the river behaviour during the floods of the last few years and provide for cost escalation.

The State Government has been incurring an expenditure of about Rs. 2 crores to Rs. 3 crores annually on the anti-erosion works of emergent nature. The Farakka Barrage authorities have incurred an expenditure of Rs. 4 crores on the protection works considered necessary from time to time for the safety of the Farakka Barrage, Jangipur Barrage and their related structures. The Ministry of Railways have also executed some essential works at two other reaches to protect the railway track in the area incurring an expense of about Rs. 2 crores. The performance of the works executed so far is reported to be satisfactory.

SHRI ZAINAL ABEDIN: Sir, the problem arising out of the continued erosion on the right bank of the river, downstream of Farakka Barrage, at a stretch of 94 kilometres, has assumed such an alarming proportion that many strategic and vital interests like, railway track, National Highway No. 34, the feeder canal and the afflux Bandh of the Farakka project appear to get engulfed in the near future. In view of this, I would like to know whether the Government proposes to treat this problem as a national problem and combat it at the national level through execution of a comprehensive scheme.

[Translation]

SHRIMATI KRISHNA SAHI: Mr. Deputy Speaker, Sir, the question asked by the hon. Member is surely a matter of concern and the other hon. Members also share this concern. Some suggestions have also been given by the M.LAs of West Bengal belonging to the Congress party. The Government is giving it a serious consideration.

But the question of erosion relates to the State Government. So far as the question on railways is concerned, a meeting was held earlier in which some funds were allotted by the Railways for the safety of the railway track etc. They had fulfilled their commitment. The Farakka barrage was constructed by the Department of Surface Transport. The hon. Member should know that.

[English]

The Government of India, Ministry of Transport, has spent Rs. 215 crores for the construction of the Farakka Barrage and it also prevents the silting of the Calcutta Port.

[Translation]

It has been constructed for your benefit.

[English]

SHRI ZAINAL ABEDIN: Sir, I would like to know whether it is a fact that two schemes worth Rs. sixteen or seventeen crores, for the protection work on the right bank of the Ganga, downstream of Farakka Barrage, prepared by the Farakka Barrage authorities, were approved by the Central Government. Also, whether the execution of the schemes has started and if so, the progress achieved so far.

SHRIMATI KRISHNA SAHI: Sir, the Farakka Barrage project administration under the Ministry has been executing protective works considered necessary from time to time for the safety of Farakka Barrage and the Jangipur Barrage. So far, an expenditure of Rs. four crores has been spent.

SHRI GADADHAR SAHA: Mr. Deputy Speaker, Sir, my question is whether a large number of families being uprooted from their original hearths and homes due to large-scale land erosion, require rehabilitation, and if so, what action is being taken by the Government for their rehabilitation.

[Translation]

SHRIMATI KRISHNA SAHI: Mr. Deputy

Speaker, Sir, the rehabilitation problem is the concern of the State Government. It does not relate to the Central Government.

[English]

SHRI ANIL BASU: Sir, the erosion in the down Farakka Barrage is a very serious problem and you know the Farakka Barrage is on the international border between Bangladesh and India. The Ganga river flows between the border and there is a continuous erosion in the Ganga river down the Farakka Barrage. That is why the Farakka Barrage Authority submitted a scheme to check erosion of the Ganga River down Farakka Barrage. Sir, I want to get a precise answer from the Minister as to whether they are going to execute the scheme submitted by the Farakka Barrage Authorities to check the erosion in the Ganga river down Farakka Barrage.

[Translation]

SHRIMATI KRISHNA SAHI: Mr. Deputy Speaker, Sir, there is no such border problem near Farakka. It is a fixed border and, as such, there is no problem before us.

[English]

SHRI ANIL BASU: Sir, the Minister has not replied to my question. What is the use of having Question Hour in the House if she does not reply to my question.

SHRIMATI KRISHNA SAHI: I have replied to his question, Sir. (Interruptions).

RBI report on Currency and Finance

*347. SHRI C. JANGA REDDY:
DR. A.K. PATEL:

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India in its report on currency and finance has expressed serious concern over drop in foreign exchange earnings during the current year while the repayment obligations to International Monetary Fund would be higher than in the previous year and also that there would be a spurt in outgo, on account of service obligations of external assistance;

(b) the steps Government have taken to curb wasteful expenditure specially in foreign exchange and with what results; and

(c) the guidelines issued in this regard to various Ministries and State Governments?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). A Statement is given below.

STATEMENT

(a) In line with the Government's policy in respect of the balance of payment, Reserve Bank of India has also advised continued vigilance of the Balance of Payments in view of the deteriorating international environment and its adverse impact on efforts to promote exports and the increasing debt service ratio on account of repayment obligations to IMF and those of external assistance and commercial borrowings.

(b) and (c). Incurring of foreign exchange expenditure is permitted in accordance with the provisions in the Import-Export Policy, the Foreign Exchange Regulations Act, 1973 and the Exchange Control Manual which lay down the guidelines for access to imports and foreign exchange expenditure by all agencies, including Ministries and State Governments. The Balance of Payment position is also continuously monitored by Government and necessary corrective action taken as and when necessary.

[Translation]

SHRI C. JANGA REDDY: Mr. Deputy Speaker, Sir, I have gone through this statement. But I have not been able to understand what steps the Government has taken to reduce the expenditure? I would like to know from the hon. Minister how much interest has the Government to pay for IMF loan this year? Besides, what impact will the ever depleting foreign exchange as compared to expenditure will have on the economy of the country? Further, what steps are you taking to check it?

[English]

SHRI EDUARDO FALEIRO: Sir, we are very cautious in utilising our foreign ex-

change resources. What we are doing is that we are following our traditional policy of taking precaution in imports, with the result, with all the cautious approach, we have to maintain our valuable foreign exchange reserve to utilise them only in the productive sectors. That is how India has a very high credit rating in the world. Now, the hon. Member wants to know what further steps we are taking to reduce the imports. I have mentioned most of them in parts (b) and (c) of my answer. I will be more specific now and I will mention the following that they are also encouraging import substitution and therefore building domestic production in major areas like fertiliser, cement etc. As a result of this, there is an increased production in fertiliser from 5.7 million tonnes in 1985-86 to 7 million tonnes in 1986-87, which is a major achievement for which I am sure, the hon. Member is going to congratulate the Government, you will congratulate the Government, the Opposition will congratulate the Government, because it is a major achievement. The imports in this sector have come down. Secondly, we have taken various fiscal and monetary measures to discourage imports of non-priority items. Our imports are linked with productivity, to strengthen our economic base and discourage imports in non-productive items. We have taken various fiscal and monetary measures. We have imposed 5% auxiliary duty. Thirdly, we have curbed consumption in petroleum product. Apart from energy conservation measures, Government have also hiked, the House knows, the price of petroleum product recently and it is like to have a salutary effect on the consumption.

[Translation]

SHRI C. JANGA REDDY: Mr. Deputy Speaker, Sir, my supplementary question was very specific. I wanted to know how much interest will the Government have to pay for IMF loan during this year and the next year and what effect will it have on our economy? I had asked this question from the hon. Minister through you to which he has not replied.

[English]

How much interest have you paid this year?

SHRI EDUARDO FALEIRO: I think the hon. Member wants to know on a specific point which does not directly arise from the question he asked. The information is not immediately available with me.

PROF. MADHU DANDAVATE: It is there in the Budget paper.

SHRI EDUARDO FALEIRO: If it is there in the budget papers, you will get it. I am sure that the hon. Member has the Budget papers, and the Budget papers are the documents of the House, he is supposed to know. In any case I will give this information to the hon. Member.

[Translation]

SHRI C. JANGA REDDY: Will the Prime Minister stop his foreign tours in view of their being unproductive and will the wasteful expenditure being incurred on Commonwealth Conference be reduced? (Interruptions)

[English]

MR. DEPUTY-SPEAKER: No, no. That cannot be.

PROF. MADHU DANDAVATE: Sir, I would like to know from the hon. Minister whether according to the Budget that has been presented here, it is not a fact that in 1988-89 our total interest payment liability will be of the order of Rs. 6,913 crores, which would be 68 per cent of the total external borrowings and the domestic borrowings, and if 68 per cent of the entire borrowings, the domestic as well as external, are going to be spent in repayment, don't you feel that when the borrowings are mainly brought in order to build up our capital assets, our asset building activity will suffer, to that extent the developmental activity will suffer and to that extent it will contribute to the inflationary pressure of the economy?

SHRI EDUARDO FALEIRO: The hon. Member is under a misapprehension. The interest that we paid is paid on the foreign borrowings. I will clarify, Sir, that the interest we are paying on the debt servicing

capital, actually that we are paying on the debt servicing, is the percentage of our receipts and to the extent of about 20 per cent is going to be receipts, which is our own money resulting from our exports, that is our money, not external assistance, exports from invisibles, from tourism, from NRI remittances, about 20 per cent. As I have said, this money we have borrowed, is the IMF funds that we borrowed from 1981 to 1984, and we are paying it now, this has been used for productive purposes, to strengthen the infrastructure of our economy, and the hon. Member will be happy to know, and he will applaud the fact that as a result of this we have attained an industrial rate of growth of about 8.5 per cent continuously over the last 4 years, that is, this rate of growth is unprecedented in the history of the country, it is unprecedented in the history of post-Independent India and, Sir, it quite rare, quite extraordinary and quite high even in the global terms considering all countries in the world.

PROF. MADHU DANDAVATE: The overall growth is between 1 per cent and 2 per cent.

SHRI HAROOBHAI MEHTA: Sir, the Government spent about 11 lakh Pounds on hosting Reliance Cup and they also are going to spend something on sending the Tennis player to Israel despite the occurrences in Israel well-known to the world. Can the Government not think in terms of saving foreign exchange at least by cutting some programmes of sports which are not always necessary?

SHRI EDUARDO FALEIRO: Surely, Sir. About sports, the hon. Member will agree....

SHRI HAROOBHAI MEHTA: Foreign exchange is the expenditure on sports, which is not a basic need of the people.

SHRI EDUARDO FALEIRO: It is not directly linked to this Ministry as far as the commitment on sports is concerned...

SHRI HAROOBHAI MEHTA: Foreign exchange part is linked with the Ministry.

Nobody will be able to go to Israel without the Government sanctioning the foreign exchange.

SHRI EDUARDO FALEIRO: No. I am not talking about Israel, I am talking about sports.

SHRI HAROOBHAI MEHTA: Israel is one instance, Reliance is another.

SHRI EDUARDO FALEIRO: I will say about the sports. The whole country wants the sports to be encouraged. But I have no comments to make as far as Israel is concerned; it does not pertain to this Ministry, nor do the other matters.

SHRI HAROOBHAI MEHTA: I would have been grateful if he had dealt with the foreign exchange part at least.

SHRI EDUARDO FALEIRO: It is only foreign exchange. (*Interruptions*).

PROF. MADHU DANDAVATE: He wants emphasis, on self-reliance rather than on Reliance, according to him.

SHRI THAMPAN THOMAS: Sir, I comment on the manner in which he has answered this very important question. The question that has been raised is: What are the guidelines given by the Government to restrict the wasteful expenditure which is committed on foreign tours and whether it is applicable to the Ministers and the Government officials etc? I would like to know, and from the *Economic Survey* I found that 1.7 per cent is the lesser income this year, that is the income from outside.

MR. DEPUTY SPEAKER: You put the question. What do you want?

SHRI THAMPAN THOMAS: Sir, I am putting the question. I could not get the answer, even my friend who asked the question has not got the answer.

MR. DEPUTY-SPEAKER: First what you want, you ask.

SHRI THAMPAN THOMAS: The specific question is this. About the wasteful expen-

diture committed by the Government on foreign travels by the Ministers or by Government officials, what is the guideline and in what manner it differs from the previous year and in the last year how much more was spent and what is the reason for that and what is the reason for reduction of income from abroad. One of the factors is that labourers are going there and coming back and deposits are not there. Is that the reason? These are the things which I want to know.

SHRI EDUARDO FALEIRO: As I have said, as far as reduction of income is concerned, our exports have grown substantially by about 25% on this year, as compared to the previous years, as far as the figures available.

PROF. MADHU DANDAVATE: That is because of devaluation of currency.

SHRI EDUARDO FALEIRO: This is in terms of rupees. Apart from the devaluation of currency, there has been substantial increase in value of our exports and reduction in the value of our imports.

As far as what the hon. Member wants to know regarding what the Ministry are doing, about the steps taken, some of the instructions issued recently are, travel budget of the various Ministries/Departments have been reduced. It has been decided to reduce expenditure on receptions, exhibitions and so on; minimise expenditure on publication and publicity and so on. These matters are being taken up.

As I have said, it is our policy to maintain a healthy level of reserves to reduce balance of trade deficit. We have been able to achieve substantially in the course of the last year. We will continue to do so; indications are that this deficit will be further reduced.

Central clearance to Vamsadhara Project Stage II

*348. SHRI V. SOBHANADREESWARA RAO: Will the Minister of WATER RESOURCES be pleased to state:

(a) what are the reasons for not according Central clearance so far to the Vamsadhara Project Stage-II; and

(b) the likely date by which the clearance will be accorded for Vamsadhara Stage II on the basis of the understanding in the meeting held on 15 January, 1987 between the Union Minister for Water Resources and Chief Ministers of Andhra Pradesh and Orissa?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). The Government of Andhra Pradesh has not obtained the concurrence of Government of Orissa to the project proposal. Clearance is also required from environmental angle and under Forest (Conservation) Act, 1980.

SHRI V. SOBHANADREESWARA RAO: Mr. Deputy-Speaker, I express my deep resentment over the callous manner in which the Government is giving replies to the questions from the hon. Members. You go through the question and the reply and you yourself will feel how inadequate the answer is. In spite of my question being quite clear, specific, the manner in which they have given the answer....

MR. DEPUTY-SPEAKER: What do you want to ask?

SHRI V. SOBHANADREESWARA RAO: What is the purpose of giving the question. It is better, you remove the Question Hour! (Interruptions)

MR. DEPUTY-SPEAKER: What is your question?

SHRI V. SOBHANADREESWARA RAO: What is the purpose of giving questions?

MR. DEPUTY-SPEAKER: Whatever you want, you ask the hon. Minister.

SHRI V. SOBHANADREESWARA RAO: If they give answer like that, is it going to serve any purpose?

MR. DEPUTY-SPEAKER: What do you want, you ask her.

SHRI V. SOBHANADREESWARA RAO:
You please go through the answer...

MR. DEPUTY-SPEAKER: If you are not satisfied, in what respect you are not satisfied, you ask her. *(Interruptions)*.

SHRI V. SOBHANADREESWARA RAO:
The answer should be comprehensive.

MR. DEPUTY-SPEAKER: That is why, we are allowing supplementaries. You ask the supplementary.

SHRI H.A. DORA: Actually, the Vamsadhara Project is in my constituency. *(Interruptions)*

SHRI V. SOBHANADREESWARA RAO: If the Government does not want to give answer, it is better you remove the Question Hour....

MR. DEPUTY-SPEAKER: It is not correct to say that. If you want any supplementaries, you can ask. If you do not want to ask, I cannot do anything.

(Interruptions)

SHRI V. SOBHANADREESWARA RAO: Vamsadhara Project is the life-line for the backward Srikakulam district. One lakh acres are proposed under State I, and another 1.5 lakh acres are provided under the State II. Unfortunately, you see the answer given by the Government:

"The Government of Andhra Pradesh has not obtained the concurrence of Government of Orissa to the project proposal."

This is inter-State problem, no doubt. Earlier both the Chief Ministers of Andhra Pradesh and Orissa, in the presence of the then Union Minister for Water Resources, Mr. Kedar Pandey, met as far back as 1982. And again on 15.1.1987 when Mr. B. Shankaranand was the Union Minister of Water Resources, Mr. NTR, our Chief Minister of Andhra Pradesh as well as Orissa Chief Minister met. They have already come to a clear understanding that the area of submergence should be only 106 acres and our Government has given acceptance

for that and even in regard to this area of submergence, our Government has agreed for construction of RCC walls so that the area will be minimised to 106 acres and our Government has accepted the proceedings of that meeting. Even after several months, the Union Government has not taken any initiative in giving clearance. My question to the Government is what steps the Government has taken to finalise and give clearance for construction of the second stage. After all, we are going to utilise the water allotted to us 57 TMC only. What steps Government has taken and what is the likely date by which the Government will accord clearance.

[Translation]

SHRIMATI KRISHNA SAHI: Mr. Deputy Speaker, Sir, the hon. Minister has delivered a long speech. Appropriate reply has been given to his question. The reply has been to the point. It is a matter concerning two States. The Central Government played the role of just a mediator. This is true that a number of issues crop up when such talks are held between the two States. Thus, we are playing the role of just an arbitrator. To resolve the inter-State issues, the Union Minister of Water Resources convened a meeting with the Chief Minister of Andhra Pradesh and Orissa on 15th January, 1987 and during this meeting both the States agreed to the project limiting the acquisition of land to 106 acres keeping in view the interest of Orissa as envisaged in the 1961 agreement and if it was technically found feasible. But the Government of Andhra Pradesh has since forwarded a modified proposal for envisaging construction of flood protection wall in Orissa territory in lieu of flood embankment provided earlier so as to restrict the acquisition of land in Orissa territory to 106 acres. The project has been examined in Central Water Commission and has been found techno-economically viable in so far as modification is concerned. But our department has written to the Andhra Pradesh Government to take the permission of Orissa Government.

[English]

SHRI V. SOBHANADREESWARA RAO:
Our Government has already accepted that

proposal of restriction of 106 acres only and construction of walls to restrict that area and the Government of India should again coordinate with the Government of Orissa and issue the clearance immediately. My second supplementary is this clearance is also required from environmental angle and Forest Conservation Act, 1980. We are informed that our Government has sent all details relating to environment and ecological aspects of this project and have furnished to Director, Department of Environment, New Delhi in Government letter No. 262/TV/2/86 dt. 6.3.1986. It is almost two years now. All the clearance is given by the State Government. Central Government has not given clearance from environment angle. Are two years not sufficient? How many years you want? When will the Central Government give clearance from environment angle?

SHRIMATI KRISHNA SAHI: It has not been cleared so far from the environmental angle and Forest Conservation Act, 1980. For soil survey of the command area and possible use of ground water in the command area, the cost estimate also is to be modified in view of the changes made by the State Government to restrict the requirement of land of Orissa to 106 acres. The concurrence of the Orissa Government has not yet been received and many factors are there as per the information given in the draft annual plan of the State of Andhra Pradesh for 1988-89. *(Interruptions)*.

SHRI V. SOBHANADREESWARA RAO: My second supplementary is not answered. *(Interruptions)*

MR. DEPUTY SPEAKER: Even afterwards, you have given many letters. But now she needs a revised estimate because of some changes. That is why, after getting that, they will consider it.

(Interruptions)

SHRIMATI KRISHNA SAHI: Sir, it concerns the Department of Environment and not us. *(Interruptions)*

MR. DEPUTY-SPEAKER: I have to give

opportunity to others also. Please sit down. I will call you afterwards. I have never told 'no' to you. I have now called Shri K.S. Rao to ask the question. I will allow you afterwards and not now.

(Interruptions)

SHRI V. SOBHANADREESWARA RAO: Sir, you have not followed what she has said. She told that it is only to be answered by the Environment Minister. But she has already replied here. She must be able to tell the full details. She cannot simply evade the answer. *(Interruptions)*

SHRI K.S. RAO: Sir, Water Resources is a State subject. It is known to everybody. The Government of India is only a coordinator and not beyond that. It has been discussed many times. Unfortunately, the Chief Minister of Andhra Pradesh thinks himself as.**

(Interruptions)

MR. DEPUTY SPEAKER: No, no. I will not allow it. It will not go on record.

(Interruptions)

MR. DEPUTY-SPEAKER: I don't allow it. It will not go on record. Mr. K.S. Rao, don't cast any aspersion on the Chief Minister.

(Interruptions)

SHRI K.S. RAO: All these years, there is no such problem in regard to coming to an agreement with our border State in regard to utilisation of Inter-State waters. The problem has come in the last few years and the Chief Minister felt it is an insult to sit with the other Chief Minister and discuss the matter and sort it out. Yes, it is true that the people of Andhra Pradesh are suffering because of**..... in discussing with the Chief Minister of Orissa to come to an agreement. *(Interruptions)*

MR. DEPUTY SPEAKER: I will not allow those words. What you want, you put the question.

(Interruptions)

**Expunged as ordered by the Chair.

SHRI K.S. RAO: This matter could have been sorted out very easily by sitting with the Chief Minister of Orissa. Instead of doing it and settling it with the Chief Minister of Orissa, it has become the habit of the Members of the TDP here always to make noise..... (*Interruptions*)

MR DEPUTY SPEAKER: I have already expunged those words.

(*Interruptions*)

SHRI K.S. RAO: In view of this, I wish the hon. Minister to save the people of Andhra Pradesh from the agony of both the State Governments and let not the Central Government be a party to it. I would like to know whether the hon. Minister will think in terms of making Inter-State waters a national subject and help the State Government and the State people by sorting out this issue.

[*Translation*]

SHRIMATI KRISHNA SAHI: All right, we shall request the Chief Minister. (*Interruptions*)

[*English*]

SHRI H.A. DORA: Sir, this Vamsadhara Project is completely in my constituency. The length of the first canal is 105 kms. The second link canal is to be constructed and a reservoir is to be constructed in the second-stage. An estimate of Rs. 252.26 crores has already been prepared. All the technical aspects from both the sides i.e. from the Orissa Government and that of the Andhra Pradesh Government, have been sorted out. Thereafter on 15th January 1987, the two Chief Ministers under the Chairmanship of the then Water Resources Minister Shri Shankaranand held a meeting in Delhi. The second stage of the canal is going to be completed. Another one lakh and seventy thousand acres would come under irrigation, in that particular district acres would come under irrigation. Already one lakh acre has come under irrigation. An amount of nearly Rs. 37 crores has already been spent. (*Interruptions*) I may be permit-

ted to put the question. Even the narrow barrage, the design of reservoir has been approved by both the Governments and both the technical authorities. And the Andhra Chief Minister offered to give any amount of compensation for the land that would be submerged, technically known as 'Pond Line Submersion'. When the reservoir is constructed, the barrage is constructed, the Pond Line Submersion would not be 1.6 acres for which the Andhra Government offered any amount that Orissa Government desires to have. In this connection, my submission is..(*Interruptions*)

MR. DEPUTY SPEAKER: You put the question. Whatever you want to ask, you put the question.

(*Interruptions*)

SHRI H.A. DORA: I am putting the question. As per the Agreement which was entered into in the year 1961 by both the Governments, everything has been completed. Nothing remains. Is it not a fact that this environmental clearance from the Central Government has not been given owing to political discrimination?

[*Translation*]

SHRIMATI KRISHNA SAHI: Mr. Deputy Speaker, Sir, this is a very old case. Talks were held between the two Chief Ministers during the year 1961, and between the Chief Engineers of the two States in the year 1962. Thereafter, an agreement was signed between the Chief Ministers in 1978. Agreements continued to be signed but they remained on paper only and none of the agreements could actually be implemented. The failure in implementation was due to the likelihood of a large chunk of land in Orissa being submerged under the modified project. Nearly 1266 acres of land in Orissa was likely to submerge under their modified Project. Thereafter, the Orissa Government as also the Central Government wrote them to prepare another project. At the completion of that Project, as I said earlier, the Union Minister of Water Resources called a meeting on January 15, 1987, in which all these aspects were discussed. However, this project can

proceed further only after Andhra Pradesh Government receives the approval of the Orissa Government. Thus, the project is still under consideration with the Orissa Government.

[English]

SHRI SOMNATH RATH: Orissa is also very much interested in this project in the sense that it is a life-line for the Ganjam district which is neighbouring to this project. But the fact remains that huge acreage of land is going to be submerged.. (Interruptions) Further the floods in this river have caused havoc more than once causing loss of life, washing away of villages and sand-cast in the Ganjam district. As such, it cannot be decided in a one-sided way. It is not that we want money from the Andhra Government. We are interested in controlling floods in our district. It is not so easy that Andhra Government gives some money and the land in Ganjam is submerged which will be always causing havoc by way of floods and devastation. (Interruptions)

I want to tell the Hon. Minister that Government of India should not decide the matter taking in view only the representation of the Andhra Pradesh Government. Government of India must take into consideration the objections and also the suggestions of the Orissa Government. I want to know from the Hon. Minister whether the Government of India would take into consideration the interest of the Ganjam district of Orissa.

[Translation]

SHRIMATI KRISHNA SAHI: The Ministry of Water Resources will proceed further only after making consultation with the Orissa Government. The project will progress further only after both the States reach an agreement.

[English]

MR. DEPUTY SPEAKER: Not allowed.

(Interruptions)**

Posts reserved for Scheduled Castes and Scheduled Tribes in Indian Overseas Bank

*350. SHRI BANWARI LAL BAIRWA: Will the Minister of FINANCE be pleased to state:

(a) the number of vacancies reserved for Scheduled Castes and Scheduled Tribes in direct recruitment to clerical cadre and sub-staff cadres dereserved in last three years in the Indian Overseas Bank;

(b) whether Government have examined the indents given by this bank to Banking Service Recruitment Boards/ Employment Exchanges and the number of SC/ST candidates sponsored by these agencies, to ensure that correct indents were given by the bank; and

(c) the steps taken by Government to avoid the dereservation of reserved vacancies and implementation of reservation for SC/ST in services of bank?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). A Statement is given below.

STATEMENT

(a) Indian Overseas Bank has reported that, during the years 1985, 1986 and 1987, the following vacancies reserved for the Scheduled Castes/Scheduled Tribes in the Clerical/Sub-Staff in direct recruitment to these cadres, were dereserved:--

Year	Clerical		Sub-Staff Cadre	
	SC	ST	SC	ST
1985	83	107	18	45
1986	86	78	20	28
1987	78	40	20	27

**Not recorded.

(b) Government has been impressing upon the public sector banks that their indents on the Banking Service Recruitment Boards/Employment Exchanges, etc. should be correctly drawn up by taking into consideration the backlogs also. The indents are placed directly by the banks on the concerned Banking Service Recruitment Board/Employment Exchange. According to the Indian Overseas Bank, these indents have been placed correctly and in accordance with the prescribed procedure.

(c) Government have advised public sector banks to take various steps in this regard, such as pre-recruitment training to the Scheduled Caste/Scheduled Tribe candidates; relaxation in educational qualifications and standards of fitness; conducting special recruitment tests, if

necessary, to clear the backlog; setting up of examination centres in tribal areas, etc.

[Translation]

SHRI BANWARI LAL BAIRWA: In his reply to part (a) of the question, the hon. Minister has stated that the statement is laid on the Table of the House. I want to read out the reply given by him so that the House could know how optimistic it sounds. He has stated that Indian Overseas Bank has reported that, during the years 1985, 1986 and 1987, the following vacancies reserved for the Scheduled Castes/Scheduled Tribes in the clerical dereserved sub-staff in direct recruitment to these cadres, were deserved:

Year	Clerical		Sub-Staff Cadre	
	SC	ST	SC	ST
1985	83	107	18	45
1986	86	78	20	28
1987	78	40	20	27

I want to submit that the Prime Minister has a great concern for the upliftment of Harijans and Girijans of the country and he is making efforts in that direction. I am grateful to the Finance Minister for providing a number of facilities to the Harijans in the Budget. But he must see to what extent these facilities have actually reached them. I am astonished to note that even after 40 years of independence, in the matter of education.....

[English]

MR. DEPUTY SPEAKER: You are not coming to the point. Put the question.

[Translation]

SHRI BANWARI LAL BAIRWA: They have not been able to get the required number of candidates belonging to these communities. How will the Government be able to provide jobs to the people belonging to Scheduled Castes and

Scheduled Tribes? No doubt, you have appointed Liaison Officers, but I would like to know how will you manage to provide them employment

[English]

SHRI EDUARDO FALEIRO: Sir, I am one with the Member and the Government is one with the Member to the effect that the policies of the Government of India, which are to protect and to give more and more representation on the lines which have already been disclosed to Parliament, should be implemented and should be implemented fully. Having said that I am one with him, in this spirit, I would say also that I am prepared to sit with the Member and other Members who are interested in this on devising ways and means, on how we can implement this fully.

However, I would like to add now for the information of the Members and of the House that there has been a substantial

progress in the implementation of this policy. But we are not yet satisfied about the extent of progress since nationalisation.

I would just read the figures for information. As far as clerical staff is concerned, from 1969, the percentage of clerical staff of SC was 0.45. It has risen to 13.84 in 1986, from 0.45 at the time of nationalisation to 13.84. As far as Indian Overseas Bank, the special bank mentioned by the hon. Member, is concerned, from 1969, it has risen to 21.20 in 1986.

Similarly, sub-staff in 1969, generally in all banks, was 6.15. It has risen in 1986 to 24.94.

As far as IOB is concerned, in 1969, from 5.34, it has risen in 1986 to 35.90. I don't want to take the time of the House. I would send further yearwise details to show yearwise progress to the honourable Member.

[Translation]

SHRI BANWARI LAL BAIRWA: Mr. Deputy Speaker, Sir, I am grateful to the hon. Minister for giving a very good reply. But I am not concerned about the banks alone. I am equally concerned about other Government undertakings where arrangements for monitoring should be made. There are some banks where not even 5 per cent of the reserved vacancies have been filled so far. I want to know whether you will take any steps to fill them up?

THE MINISTER OF FINANCE AND MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI): Mr. Deputy Speaker, Sir, we have called a meeting of the Chairmen of the various banks day after tomorrow. I shall myself discuss this matter with them. All efforts will be made to implement the Government policies.

SHRI ANADI CHARAN DAS: Mr. Deputy Speaker, Sir, if we add the number of vacancies in the clerical cadres for the years 1985 and 1986, the total comes to 169. If the policy is implemented properly, all

posts can be filled up. The backlog is not taken into consideration every year, although the direction of the Government is that 50 per cent of the backlog will be cleared first and when fresh vacancies arise, these will be filled fully. But it has not been done so far. In this connection, it has been stated--

[English]

"... to clear the backlog, setting up of examination centres in the Tribal areas."

[Translation]

It must be done. Until recruitment boards are set up in the tribal areas, how can the tribals get recruited? I want to know whether any arrangements will be made so that the people belonging to these areas would come up?

[English]

SHRI EDUARDO FALEIRO: We are implementing the guidelines and the policies.

As far as the question raised by the hon. Member is concerned, I would like to say that the following instructions have been issued by the Government to the public sector banks to clear the backlog.

Pre-recruitment and pre promotion training programme, placing of indents to the tune of 50 per cent of the total vacancies for SC and ST, association of SC and ST members on the DPCs and interview boards, relaxation in educational qualifications and standards of fitness, conducting special recruitment tests for clearing the backlog and setting up of examination centres in the tribal areas. These are what we are doing and we will continue to do.

SHRI A. CHARLES: Large number of vacancies in the Nationalised Banks are left unfilled in view of the general ban on recruitment. May I know from the hon. Minister whether the general ban on recruitment comes in the way of filling up

the vacancies earmarked for the Scheduled Castes and Scheduled Tribes or not?

SHRI EDUARDO FALEIRO: This does not arise out of this question. I need a separate notice for it.

[Translation]

SHRI V. TULSIRAM: Just now the hon. Minister has stated that he will raise this issue in his meeting with the Chairmen of the banks and a decision will be taken regarding the reserved quota. I thank him for giving this assurance. But I want to enlighten him about the fact that the system of dereservation of posts exists not only in the banks but also in the Government Departments and undertakings. Is the hon. Minister aware of this fact? In addition to the banks, on what basis are the reserved posts dereserved in various Government organisations and undertakings? Will the hon. Minister get an inquiry conducted in this regard? If after the inquiry, some Government organisations are found guilty of not following the Government policy, will any action be taken against the guilty officials because the same situation is prevailing everywhere? Everywhere the reserved posts are being dereserved. What steps is the Government taking to ensure that reserved posts are not dereserved and the recruitment for these posts is made from amongst the candidates belonging to these classes only? Is it not possible to fill up even the post of a peon from the Scheduled Castes and Scheduled Tribes? I am not talking about the Officers grade or of the Technical posts but is it not possible to recruit even a peon from these reserved classes? Mr. Deputy Speaker, Sir, this is a very significant question. Government policies are being clearly flouted. The same situation is prevailing in every Government Department, Organisation, Bank etc. Capable people are being thrown out of jobs. Government does not want capable and honest people and this is the policy of the ruling party and its Government.

SHRI NARAYAN DATT TIWARI: Mr. Deputy Speaker, Sir, the question raised by the hon. Member does not relate to the

banking system alone but all Government Departments as well. In this connection, I had just had a discussion with the hon. Home Minister because its responsibility lies not only with this Ministry but the general administration, the Home Ministry and other Ministries as well. In reply to this question, I would like to only say that Government is making all efforts to ensure that its declared policies are adhered to by all the departments. (Interruptions)

SHRI CHARANJIT SINGH ATHWAL: Mr. Deputy Speaker, Sir, the problem of dereservation of reserved posts exists not only in one department but in every department and undertaking of the Government. I want to know from the hon. Minister the number of posts dereserved so far or lying vacant and whether any action will be taken to fill up these posts by persons belonging to the Scheduled Castes and Scheduled Tribes within a specific time after adequately training them in this field?

[English]

SHRI EDUARDO FALEIRO: We are making all efforts. Our commitment to our policy is absolute and total. We are making good progress in this direction.

[Translation]

Castor Oil Export

*351. SHRI KAMLA PRASAD RAWAT:
SHRI RAM BAHADUR SINGH:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware of the fact that some castor oil exporters make shipment of B.S.S. grade castor oil to foreign countries in collusion with some officials and get the bill for B.P. medical grade castor oil;

(b) if so, the amount lost by Government due to such fraudulent export;

(c) the action taken by Government so far against guilty persons; and

(d) if not, the reasons therefor?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Export of castor oil is subject to compulsory grading and certification under Agmark by Directorate of Marketing & Inspection, Department of Rural Development. No complaint has been received by the Directorate of Marketing & Inspection from importers about the quality of castor oil exported from India.

(b) to (d). Do not arise.

[Translation]

SHRI KAMLA PRASAD RAWAT: In connection with the reply of the hon. Minister to my question, I want to inform him that though the Directorate might not have received any complaints in this regard, the reality is that such complaints are very common. Government grants 5 per cent concession on the export of B.P. medical grade castor oil but the exporters get false certificates and export the industrial castor oil under the B.P. medical grade castor oil and, thus, pocket the 5 per cent concession given for it. I want to know what action is Government taking in this regard?

[English]

SHRI P.R. DAS MUNSI: It is not a fact that we are deliberately allowing a group of people to export BSS grade castor oil under medicinal castor oil and giving them CSS on that. The fact remains that inspection part is done by the Directorate of Marketing and Inspection, who actually give the certificate and they do it after certain chemical examination. After having done that, only then it is shipped. Not only that, in some cases importers from certain countries have their own surveyors to examine. Unless the buyer makes an official complaint, we cannot take action. But so far as the general nature of complaints is concerned, from time to time we review and examine the position and if we find some defects, we act accordingly.

[Translation]

SHRI KAMLA PRASAD RAWAT: Mr.

Deputy Speaker, Sir, some officials of the State Trading Corporation are involved in it and it is with their collusion that the exporters are indulging in this kind of corruption which is bringing a bad name to our country. I want to know what action is being taken by the hon. Minister in this regard?

[English]

SHRI P.R. DAS MUNSI: I would again like to inform the hon. Member that if he has got some specific case or some specific instance concerning any official of STC or any individual exporter, he may bring to our notice and we shall take absolutely firm action. Government will not spare anybody.

[Translation]

SHRI RAM BAHADUR SINGH: I wanted to know through my question whether Government is aware of the fact that some exporters are exporting B.S.S. grade castor oil under the name of B.P. medical grade castor oil to get various concessions available for it? The Government has stated that there is a Directorate which gives certificates after necessary testing. Some people have complained to the Hon. Prime Minister giving all the details in this regard. The first letter is dated 4th February, 1988 and the second is dated 12th February, 1988. The hon. Minister may please go through them.

There is no basic difference between B.S.S. grade and B.P. medical grade castor oil and there are several set methods of converting B.S.S. grade into B.P. grade. But I want to know from the Government that when none of the exporters possess this facility, from where did they get it? Further, when did they get it and in what quantity?

[English]

SHRI P.R. DAS MUNSI: Sir, it is a fact that we have received number of complaints from the hon. Members of this House as also a number of allegations from several individuals in this regard. After that, there was a meeting convened by the Rural

Development Department to examine these aspects on 4th February, and immediately after that on 16th February, an inter-ministerial meeting was held to examine whether the prevailing process to bifurcate certification procedure of BP grade from BSS grade was sufficient enough. We have to get some report in this regard from the Chemexcil and from the department of Rural Development very soon. Thereafter, if we find that there is some lacuna for which people take advantage, we will correct it and we will again come back to the House to inform the outcome of that.

DR. CHANDRA SHEKHAR TRIPATHI: May I know whether some manufacturers have got plants to manufacture castor oil as per procedure laid down in the British Pharmacopoeia on page 24 or not?

SHRI P.R. DAS MUNSI: There are standing instructions that if anybody wants to export BP grade castor oil, he will have to declare and give an undertaking that they own the plant and they have to do it in cold process, and not hot process, and based on that they can do it. If there is any lapse and it is brought to our notice, as mentioned by me earlier, we shall have the matter investigated properly and take firm action in that regard.

WRITTEN ANSWERS TO QUESTIONS

Effect of Smuggling of Synthetic Textiles on Textile Industry

***345. SHRI H.B. PATIL:** Will the Minister of TEXTILES be pleased to state:

(a) whether the smuggled synthetic textiles in the form of yarn as well as fabrics are coming into the country despite the anti-smuggling drive mounted by Government;

(b) if so, whether it affects adversely the textile industry in general and synthetic industry in particular;

(c) if so, whether any representation has been received in this regard from the textile industry; and

(d) if so, the details thereof with response of Government thereto?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) to (d). A statement is given below.

STATEMENT

Synthetic yarn and fabrics continue to be sensitive to smuggling. Smuggling is a clandestine activity and it is, therefore, not feasible to estimate its extent and its impact on the domestic textile industry.

Government have received representations, from time to time, from the textile industry regarding the effect of smuggling on demand for domestic textiles, as also production and employment in the industry. The Government recognise that smuggling has been a problem which, despite Government's strong action, has had some adverse effects on the textile economy. The anti-smuggling drive throughout the country has been intensified and the anti-smuggling machinery, particularly at the vulnerable points of the land border, and the coastline, and the international airports and seaports, has been geared up to combat smuggling of goods including synthetic yarn and fabrics. Close coordination is maintained between all agencies concerned with anti-smuggling.

In line with the Textile Policy, reduction of fiscal levies on synthetic fibres and yarn has been made in order to facilitate absorption of increased domestic production.

Modernisation of Textile Mills and workers' Retrenchment

***349. DR. DATTA SAMANT:** Will the Minister of TEXTILES be pleased to state:

(a) the total amount so far distributed to textile mills from Rs. 750 crores Textiles Modernisation Fund and the number of mills in receipt of the same; and

(b) the number of textile workers retrenched because of modernisation since setting up of the Fund from August, 1986?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b). A statement is given below.

STATEMENT

(a) As on 31st January, 1988, an amount of Rs. 149.56 crores had been disbursed in 64 cases under the Textile Modernisation Fund Scheme.

(b) It is not possible to indicate the precise figures of textile workers retrenched because of modernisation, as modernisation does not necessarily imply retrenchment in every case.

Increased Smuggling in Gold

*352. SHRI D.P. JADEJA: Will the Minister of FINANCE be pleased to refer to the reply given on 25.2.1987 to Starred Question No. 37 regarding seizure of gold by the Customs Departments and state:

(a) whether the figures of gold seized during 1985 and 1986 were 5 times higher than of 1984;

(b) if so, the reasons therefor;

(c) whether this upward trend was due to weaknesses in anti-smuggling machinery of Government or its ineffective handling of operations; and

(d) the remedial steps taken in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (d). A statement is given below.

STATEMENT

(a) The quantity and value of gold seized during the calendar years 1984, 1985 and 1986 are given below:

Year	Quantity (in Kgs.)	Value (Rs. in crores)
1	2	3
1984	524	10.24

1	2	3
1985	2525	51.89
1986	2174	46.71

From the above figures, it is seen that the quantity and value of gold seized in 1985 was approximately five times more, and in 1986 approximately four times more than the quantity and value of gold seized in 1984.

(b) to (d). The smuggling of gold into the country being a clandestine activity, it is not feasible to make an estimate of the extent of gold being smuggled into the country. The increase in the quantity and value of seizures of gold during the years 1985 and 1986 need not indicate an increase in smuggling. This is mainly due to more effective preventive operations. The magnitude of smuggling of gold into the country is determined largely by :

- (i) High domestic demand due to social customs;
- (ii) demand for hoarding purposes as a security and hedge against inflation;
- (iii) negligible production and supplies;
- (iv) profitability due to wide differential between low international price and rising domestic prices.

The anti-smuggling drive throughout the country has been intensified. The anti-smuggling machinery throughout the country, particularly at vulnerable points along the coastline and the land borders and at the international airports and seaports, has been geared up to check smuggling. Sophisticated anti-smuggling equipment, such as metal detectors and X-ray machines are being utilised for detection of gold concealed on the person of passengers and in their baggage. On the basis of information, vessels, vehicles and aircrafts are searched for concealed gold. Close co-ordination is maintained with all the agencies concerned

in the prevention and detection of smuggling into the country.

Allowances to Central Government Employees in Himachal Pradesh

*353. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) whether representations from the Central Government employees in Himachal Pradesh have been received highlighting the inadequacy of allowances admissible to them as compared with their counterparts in the State Government during the last three years, including the current financial year;

(b) whether the Fourth Pay Commission Report had recommended discretionary treatment in this matter to Union Government by taking into account the remoteness of the places and cost of living falling within the crest of hills though not fulfilling the criterion of altitude of 1000 meters above the mean sea level;

(c) if so, the details of decision taken by Government on the representations; and

(d) if not, whether such a decision would be taken at an early date?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) to (d). A statement is given below.

STATEMENT

(a) Yes, Sir.

(b) The Fourth Pay Commission have recommended that the Government may consider extending the Composite Hill Compensatory Allowance to places surrounded by hills but not qualifying for the allowance under the existing height criterion if these are not already covered by the scheme for grant of Special Compensatory Allowance and if the conditions there are comparable with those of adjoining hill stations.

(c) and (d). Under the extent criterion, Composite Hill Compensatory Allowance is admissible at places which are situated at a height of 1000 meters or more. Special Compensatory (Remote Locality) Allowance is also granted to Central Government employees in difficult/remote localities on the basis of the classification of areas adopted by the State Government for grant of similar allowance to their employees. The Central Government employees working in difficult remote localities of Himachal Pradesh are covered by the scheme of special Compensatory (Remote Locality) Allowance. However, the two allowances are mutually exclusive. For extending Composite Hill Compensatory Allowance to places surrounded by hills on the basis of the recommendations of the Fourth Pay Commission, certain criteria were formulated. However, the information received from the State Government revealed that they do not grant Hill Compensatory Allowance on the basis of such criteria and such places have also not been specified. Since Special Compensatory (Remote Locality) Allowance is admissible in Himachal Pradesh to the Central Government employees working in difficult/remote areas of the State, a decision has been taken that there is no need for considering Composite Hill Compensatory Allowance on the basis of the recommendations of the Fourth Pay Commission.

Japanese Assistance for IDCOL

*354. SHRI CHINTAMANI JENA:
SHRI SOMNATH RATH:

Will the Minister of FINANCE be pleased to state:

(a) whether Government had invited proposal for external assistance from Japan from special overseas Economic Cooperation Fund loan;

(b) whether the Industrial Development Corporation of Orissa Limited has furnished proposal for modernisation/diversification/renovation of Ferro Chrome Plant at Jaipur Road in this regard;

(c) if so, the details thereof;

(d) whether State Government of Orissa has recommended the case to Union Government; and

(e) if so, the steps taken by Union Government for grant of Overseas Economic Cooperation Fund loan from Japan in favour of industrial Development Corporation of Orissa Limited?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) to (d). The State Government of Orissa had recommended the proposal for modernization and diversification of the Ferro Chrome Plant, a unit of the industrial Development Corporation of Orissa Limited. The proposal involved import of machinery and equipment at a total of Rs. 55.80 crores and with the foreign exchange component of Rs. 11.20 crores or Yen 1.15 billion.

(e) As the approval of the nodal Ministry concerned viz the Department of Steel in this case is required before project could be posed for foreign assistance, the matter had been referred to that Department and their comments are awaited.

Benefit of MODVAT for Consumers

*355. SHRI HAROOBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the benefit obtainable by the MODVAT has not been passed on to consumers in all cases by the manufacturers;

(b) whether the MODVAT has caused revenue loss and if so, to what extent; and

(c) the steps, if any, contemplated by Government to ensure that the benefit of MODVAT is passed on to the consumers?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). A statement is given below.

STATEMENT

(a) to (c). In 1986 Budget, in order to ensure revenue neutrality, the introduction of MODVAT was accompanied by an increase in the duty on the final products to balance the set-off which was being given of the duty paid on the inputs. In 1987 Budget, having regard to the nature of the products, the duty rates of the final products were not increased except in a few items. The question whether the MODVAT benefit was fully passed on to the consumers or not would thus depend upon the nature of the commodities.

The magnitude of availment of MODVAT credit in the year 1987-88 has been more than in 1986-87. While extending the MODVAT scheme to additional Chapters of Central Excise Tariff in 1987 Budget, the rates of excise duty in respect of some items were not increased, having regard to the nature of the products. Further, in regard to input manufactured by the small scale sector, duty is realised at a concessional rates, but credit is allowed at full effective rates on a notional basis. The wider coverage of goods in respect of which the notional credit is being availed has also contributed to the increased utilisation of MODVAT.

MODVAT provides an enabling fiscal structure to avoid cascading effect of duties on inputs. Market prices of various commodities are governed by a multiplicity of factors and not by changes in the rates of duty alone.

[Translation]

Payment of excise duty by Cigarette Companies

*356. SHRI KALI PRASAD PANDEY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that leading cigarette manufacturing companies in the country have not paid large amount of excise duty since the year 1980 till date;

(b) if so, the names of these companies

and the details of the amount of excise duty outstanding against each company from 1986 till February 1988, year-wise and the reasons for which this amount has not been recovered so far; and

(c) the effective steps taken by Government so far to recover the amount of excise duty outstanding against these big cigarette manufacturing companies and the outcome thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). A statement is given below.

STATEMENT

Large amounts of excise duty considered as not paid by leading cigarette manufacturing companies like M/s.I.T.C. Ltd., G.T.C. Industries Ltd., New Tobacco Company Ltd./Duncan Agro-Industries Ltd., Godfrey Phillips India Ltd. and V.S.T. Industries Ltd. are mainly relating to the issue involving Post Manufacturing Expenses (PME). The Majority of P.M.E. cases are pending in respect of these companies in the Supreme Court and a few are pending before High Courts/CEGAT (Tribunal)/Departmental authorities, Information regarding amount involved in respect of these companies is as given below.

M/s. I.T.C. Limited: The tentative amount involved in P.M.E. cases is Rs. 149 crores approximately, out of which the company has paid about Rs. 40 crores. The Director-General of Inspection (Customs & Excise) had passed an order-in-original on 10.4.1986 in an undervaluation case and in pursuance of this order the exact amount of dues is being quantified by Collectors. However, the company has voluntarily made "on account" payment of Rs. 14.78 crores in this regard.

M/s. G.T.C. Industries Limited: The tentative amount involved in P.M.E. cases is Rs. 10.86 crores approximately. The lower courts have decided the matter in favour of the company and the department has filed appeals in the Supreme Court. An amount of Rs. 10.24 lakhs in confirmed demand is also pending.

M/s. New Tobacco Company (a subsidiary of M/s Duncan Agro Industries Limited) /M/s Duncan Agro Industries Limited: The total P.M.E. dues in respect of M/s New Tobacco Company/M/s Duncan Agro Industries Limited is Rs. 10.5 crores approximately, out of which the company has paid Rs. 1 crore. The P.M.E. cases are pending in the Supreme Court as well as in Delhi High Court.

M/s. Godfrey Phillips India Limited: There are two P.M.E. cases in respect of this company pending in Supreme Court. The High Court's decision was in favour of the company. The tentative amount involved is Rs. 4 crores approximately.

M/s. V.S.T. Industries Ltd.: A Civil Appeal is pending in the Supreme Court and the P.M.E. dues linked with the appeal are Rs. 9.05 crores approximately. The company has voluntarily paid about Rs. 6.60 crores in this regard. Most of the P.M.E. dues relate to pre-1986 period and as indicated above are sub-judice. Recoveries could not, therefore, be made.

In addition to the above, show cause notices have also been issued on different occasions to these cigarette companies, their associates and job workers in evasion cases detected from time to time. The details are given below.

Name of the Company		Amount involved (Rs. crores)
1	2	3
1.	I.T.C. Ltd. & others	1138
2.	G.T.C. Industries Ltd & others	600

1	2	3
3.	New Tobacco Company Limited/ Duncan Agro-Industries Limited	225
4.	Godfrey Phillips (India) Ltd. & others	108
5.	V.S.T. Industries Ltd.	2.44

These show cause notices are pending before different adjudicating authorities for final decisions but most of them are sub-judice as the Companies like M/s I.T.C. Ltd., G.T.C. Industries Ltd., New Tobacco Company Ltd./Duncan Agro Industries Ltd. have approached different High Courts and some of them have stayed further proceedings.

Recovery of outstanding dues is an ongoing job and steps such as administrative, legal and other as are considered necessary to continue to be taken from time to time to recover the dues. In important cases, Government have engaged special counsels to defend Government stand effectively.

[English]

World Bank loan funded Irrigation Projects

*357. SHRI AMARSINH RATHAWA: Will the Minister of WATER RESOURCES be pleased to state:

(a) the names of irrigation projects for which World Bank has sanctioned loan;

(b) the details of progress made so far in those projects;

(c) whether it is a fact that the construction work on many projects has been delayed;

(d) if so, the names of such projects and the reasons for the delay; and

(e) what steps are being taken to complete those projects early?

THE MINISTER OF WATER RESOURCES (SHRI DINESH SINGH): (a) A Statement is given below.

(b) to (d) The projects are in various stages of completion. Most of the projects are running behind schedule, mainly due to financial constraints, paucity of staff, want of environmental/forest clearance and land acquisition etc.

(e) As all these projects are planned, funded and implemented by State Governments, they have been advised to take necessary steps to avoid further delays.

STATEMENT

List of Ongoing Irrigation Projects being Implemented with World Bank Assistance

Sl. No.	Name of the Project	Project cost (In Rs. Millions)	Amount of external assistance (In US \$ Millions)	Utilisation of assistance/ disbursement upto January, 1988
1	2	3	4	5
1	Andhra Pradesh Irrigation-II Project	6185.00	271.00	Nil

1	2	3	4	5
2.	Bihar Tubewells Project	1296.21	68.00	Nil
3.	II Gujarat Medium Irrigation Project	3490.40	175.00	138.636
4	Gujarat Medium Irrigation-II Project	3716.00	172.00	56.634
5.	Haryana Irrigation-II Project	2703.60	150.00	91.264
6.	Kallada Irrigation & Treecrop Development Project	1365.90	80.30	58.453
7.	Karnataka Tank Irrigation Project	650.00	54.00	38.188
8.	Mahanadi Barrage Project	926.50	83.00	59.763
9.	Maharashtra Composite Irrigation Project-III	3872.20	160.00	6.858
10.	Maharashtra Water Utilisation Project	742.80	54.70	17.502
11.	Chambal (MP) Phase II Project	556.30	31.00	22.242
12.	Madhya Pradesh Major Irrigation Project	3513.00	220.00	119.632
13.	Madhya Pradesh Medium Irrigation Project	1958.00	140.00	91.840
14.	Narmada River Development Sardar Sarovar Dam & Power Project	23202.00	300.00	8.006
15.	Narmada River Development Gujarat Water Delivery and Drainage Project	6251.00	150.00	9.162
16.	National Water Management Project	2041.10	114.00	1.220
17.	Orissa Irrigation Project-II	1335.60	105.00	61.008
18.	Periyar Vaigai Irrigation Project-II	588.00	35.00	20.481
19.	Subarnarekha Irrigation Project (Bihar and Orissa)	2845.00	127.00	90.795

1	2	3	4	5
20.	Upper Ganga Modernisation Irrigation Project	2497.70	125.00	13.181
21.	Uttar Pradesh Public Tubewells Phase-II	1825.60	101.00	55.115
22.	West Bengal Minor Irrigation Project	1559.69.	99.00	0.147

Overdrawal by Union Government

*358. SHRI SURESH KURUP: Will the Minister of FINANCE be pleased to state:

(a) whether Union Government have been overdrawing from the Reserve Bank of India during the past two years; and

(b) if so, details thereof with head of Accounts?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) and (b). The concept of overdrawal or overdraft does not apply to the Union Government.

Suggestions from Economists

*359 DR. V. VENKATESH: Will the Minister of FINANCE be pleased to state:

(a) whether Government have sought recently opinions from top economists on unemployment, sources of agricultural and industrial growth, resource mobilisation and management of balance of payments;

(b) if so, whether any suggestions, were received in this regard; and

(c) if so, the salient features thereof and the action taken on them?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). A statement is given below.

STATEMENT

Presumably, the Hon'ble Member is referring to the pre-Budget meeting taken by the Finance Minister with the Economists on 6th January, 1988. At the meeting they *inter alia* stressed the need to raise the over-all saving and investment rate in the economy, the need to generate resources for investment in agriculture and industry, importance of curbing the growth in Government current expenditure, efficient utilisation of resources and constant watch on the changing balance of payment situation. Suggestions made by Economists, as indeed from other experts, Associations and persons, are taken into account in the formulation of Government economic policies.

Promotion of Sericulture Industry in Rural Areas

*360. SHRI V. SREENIVASA PRASAD:
SHRI BANWARILAL PUROHIT:

Will the Minister of TEXTILES be pleased to state:

(a) whether Union Government have urged the State Governments to promote sericulture in rural areas;

(b) if so, the details of the guidelines issued and whether Union Government have since modernised the functioning of the Central Silk Board in order to promote silk production; and

(c) if so, the details thereof and the steps Union Government propose to take to boost the Silk production in the country?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) Yes, Sir.

(b) and (c). A statement is given below.

STATEMENT

State Governments have been urged not to divert the plan outlays earmarked for sericulture to other sectors. They have also been requested to avail of funds available under various rural development programmes for promotion of sericulture in the rural areas.

In order to supplement the efforts of the State Governments to encourage the development of silk industry, the Central Silk Board has established the following major units in the country for R&D and Extension Supports:

- (i) 3 Central Sericulture Research & Training Institute.
- (ii) 1 Central Technological Research & Training Institute.
- (iii) 15 Regional Sericulture Research Stations.
- (iv) 64 Research & Extension Centres.
- (v) 262 Chawki Rearing Centres.
- (vi) 21 Silkworm Seed Production Centres and 14 Basic Seed Farms under the National Silkworm Seed Project.
- (vii) 20 Basic Seed Multiplication Tasar Centres.

Besides, Intensive Sericulture Development Projects are being implemented in the States of West Bengal, Orissa and the North-East Region.

Seizure of Narcotics

*361. SHRI MANIK REDDY: Will the Minister of FINANCE be pleased to state:

(a) the procedure of destroying the seized narcotics by Government;

(b) the amount of narcotics seized by Government during January and February, 1988 and item-wise details;

(c) the estimated value in national and international markets; and

(d) the main source of seizure?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (d). A Statement is given below

STATEMENT

The seized narcotic drugs, except opium and morphine, ripe for disposal after due legal proceedings, are required to be destroyed by burning. Opium and morphine, having regard to their quality, etc. are processed in the Government Opium and Alkaloid Works, Ghazipur for production of drugs.

The item-wise seizures of drugs seized by various drug law enforcement agencies in the country during January and February, 1988 are as below:

(Figures provisional)

Sl. No.	Name of drug	January 1988		February 1988	
		No. of cases	Quantity (kgs.)	No. of cases	Quantity (kgs)
1	2	3	4	5	6
1.	Opium	13	69.385	6	573.235
2.	Morphine	..	..	1	0.500
3.	Heroin	34	479.046	24	222.178

1	2	3	4	5	6
4.	Hashish (Charas)	26	5,518.433	22	5,428.556
5.	Ganja	47	2,616.762	26	3,694.348

No precise value, either in national or international markets, of the seized drugs can be indicated as this is dependent upon various factors like quality of drugs, places of origin and sale, local demand and supply, etc.

The main sources of drugs seized are reported to be Afghanistan and Pakistan, particularly, in respect of heroin and hashish.

[Translation]

Appointments for Bhagirath Group of Journals

*362. SHRI YOGESHWAR PRASAD YOGESH: Will the Minister of WATER RESOURCES be pleased to state:

(a) Whether all the sanctioned posts for 'Bhagirath' journal have not been filled as yet;

(b) when these posts were sanctioned;

(c) the reasons for keeping these posts vacant; and

(d) whether immediate steps are proposed to fill up these posts?

THE MINISTER OF WATER RESOURCES (SHRI DINESH SINGH): (a) to (d). Out of 16 posts, 4 posts are vacant. A Statement showing the details of vacant posts is given below.

STATEMENT

S.No.	Name of the vacant post	Date of creation	Reasons for non-filling of the vacant post
1	2	3	4
1.	Editor, Bhagirath (English) (Rs. 3000-4500)	21.12.1963	Union Public Service Commission recommended one candidate for appointment in September, 1985. He declined to join. The post was readvertised and one candidate has been recommended for appointment by the Union Public Service Commission.
2.	Editor, Bhagirath (Hindi) (Rs. 3000-4500)	1.9.1980	As per Recruitment Rules for this post, the suitability of the holder of the post of Assistant Editor, Bhagirath (Hindi) was first to be assessed by the Union Public Service Commission for appointment to the upgraded post of Editor and appointed if found suitable. Accordingly, Union Public Service Commission assessed the suitability of the then incumbent of the post of Assistant Editor (Bhagirath) but did not find him suitable. The second method of recruitment i.e. filling up by transfer on deputation was resorted to. Since no eligible candidate applied for the post, no one could

1	2	3	4
			be selected. The third mode of direct recruitment through the Union Public Service Commission was then adopted. The Union Public Service Commission recommended one candidate for appointment to whom offer of appointment was issued in September, 1986. However, he has not joined the post. A petition was filed by one of the candidates before the Central Administrative Tribunal on which the Tribunal passed an interim order that any selection made by Union Public Service Commission and appointment made pursuant thereto for the post of Editor, Bhagirath (Hindi) shall be subject to the outcome of the petition. The petition is still pending before the Tribunal.
3.	Sub-Editor Bhagirath (Hindi) (Rs. 1640-2900)	1.9.1980	In accordance with recommendation of the Union Public Service Commission, offer of appointment was issued to the selected candidate. She declined to join the post. The Union Public Service Commission has been requested to recommend another candidate.
4.	Personal Assistant (Rs. 1200-2040)	30.12.1964	This is the post of PA to Editor Bhagirath (English). It will be filled up soon after filling up of the post of Editor, Bhagirath (English)

*[English]***Trade discussion with EEC Commissioner**

*363. CH RAMPRAKASH: Will the Minister of COMMERCE be pleased to state:

(a) the broad subjects or issues proposed to be discussed with the Commissioner of European Economic Community during his forthcoming visit to India; and

(b) whether the subject of trade deficit faced by India would also be discussed with him?

THE MINISTER OF FINANCE AND MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI): (a) and (b). During the ensuing visit of the EEC Commissioner of European Economic Community later this

month, matters of interest to India and the European Economic Community in economic, commercial and technical spheres are proposed to be discussed, including the trade deficit India sustains vis-a-vis the Community.

**Transfer of Wealth and Jewellery
Antiques by Ex-Rulers**

3650. PROF. MADHU DANDAVATE: Will the Minister of FINANCE be pleased to state:

(a) whether the ex-rulers of princely States in India are permitted unfettered transfer of wealth and jewellery (including antiques) out of India as well as their disposal;

(b) if so, is it in keeping with the provisions of FERA in this regard;

(c) whether Government propose to regulate such transfers in future; and

(d) whether Government also propose to freeze all their assets in the Foreign Banks.

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE: (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) to (d). Do not arise.

Irrigation Projects behind Schedule in Kerala

3651. SHRI MULLAPALLY RAMACHANDRAN: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether several irrigation projects are still behind the schedule time of its completion in the State of Kerala;

(b) if so, the reasons for delay in each of these projects;

(c) whether Government have allotted additional fund for the early completion of these projects during 1988-89;

(d) if so, the details thereof; and

(e) the steps being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) According to information available from the State Government, most of the ongoing irrigation projects are behind schedule.

(b) The general reason for delay is financial constraint. Construction and contractual problems in the case of Kallada, and problem of release of forest land in the case of Vamanapuram are among the project-specific problems.

(c) to (e). Irrigation projects are funded and implemented by the State Governments within the framework of their overall developmental plans and Central assis-

tance is given in the form of block grants and loans.

Amendments to the Sick Industrial Companies (Special Provisions) Act

3652. DR. B.L. SHAILESH: Will the Minister of FINANCE be pleased to state:

(a) whether the Board for Industrial and Financial Reconstruction has suggested amendments to the Sick Industrial Companies (Special Provisions) Act in the interest of more effective functioning of the Board;

(b) if so, the broad features thereof;

(c) the action proposed to be taken by Government in this regard; and

(d) the achievements of this board since it was set up and how far it has fulfilled the role assigned to it under the above Act?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) and (c). Do not arise.

(d) The Board for Industrial and Financial Reconstruction (BIFR) has reported that 410 cases of sick industrial companies have been registered upto 29.2.1988 under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985. So far, 288 hearings have been held by the Board and enquiries completed with regard to determination of sickness of the companies in 156 cases. 29 cases have been finally disposed of.

Loans to Small Scale and Cottage Industries

3653. SHRI R. JEEVARATHINAM: Will the Minister of FINANCE be pleased to state:

(a) the number of small scale and cottage industries in North Arcot District;

(b) the number of such industries

granted loan from the nationalised banks; and'

(c) the details of such industries and the amount of loan granted to each industry?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN

THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). The information regarding the number of small scale and cottage industries in North Arcot district, the number of units sanctioned loans by nationalised banks and the amount of loans sanctioned as reported by RBI is as under:-

No. of small scale industries	: 5959
No. of cottage industries	: 4893
No. of small scale industries sanctioned loans by nationalised banks	: 4527
No. of cottage industries sanctioned loans by nationalised banks	: 3672
Amount of loan granted to small scale industries	: Rs. 10830.41 lakhs
Amount of loan granted to cottage industries	: Rs. 681.09 lakhs

The small scale industries include rice and oil, wooden furniture, steel furniture, automobile repairing units, safety match industries, washing soap detergent manufacturing, aluminium utensils etc. The cottage industries including lime making, carpentry units, handloom weaving, bamboo works, village pottery, agriculture and farm products etc. RBI has reported that the data reporting system does not give the information regarding amount of loan granted to each industry separately.

Tea, Coffee, Rubber and Cardamom cultivation for Rural Development

3654. SHRIMATI N.P. JHANSI LAKSHMI: Will the Minister of COMMERCE be pleased to state:

(a) whether any survey has been undertaken to extend tea cultivation as a part of rural development;

(b) if so, the details thereof;

(c) if not, whether Government propose to undertake any study of rural areas for

tea, coffee, rubber and cardamom cultivation; and

(d) if so, the areas proposed?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). Yes, Sir. As per the survey conducted by the United Planters Association of Southern India, it was estimated that about 4000 hectares in Nigiris are available for being brought under tea cultivation. These are marginal or sub-marginal areas under potato or vegetable cultivation. It was estimated that bringing these areas under tea will provide employment to around 10,000 people besides contributing to increased tea cultivation in South India.

(c) and (d). With regard to Tea, position has been explained in reply to parts (a) and (b) above.

As regards coffee, Coffee Board has constituted a survey team to identify areas suitable for coffee cultivation in the States

of Andhra Pradesh, Madhya Pradesh, West Bengal and Maharashtra. The Board has also undertaken a project for identifying areas suitable for coffee cultivation in all the states of North Eastern Region.

With regard to Rubber, Rubber Board has been carrying out surveys of lands agro-climatically suitable for rubber cultivation. These have revealed that extensive lands in the rural areas of North Eastern region, West Bengal, Orissa, Bastar District of Madhya Pradesh, Visakhapatnam and East Godavari districts of Andhra Pradesh, Andaman and Nicobar Islands, Karnataka, Goa and Konkan region of Maharashtra can be gainfully made use of for development of rubber plantation.

Cardamom Board has no proposal to undertake any study or survey on extension of cardamom cultivation in rural areas.

Hindustan Lever Limited

3655. SHRI INDRAJIT GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether the Hindustan Lever Limited has fulfilled their commitment regarding exports, development of technology and raising of quality to international standard to justify the use of international brand names; and

(b) if so, whether the retention of subsidiary status of the company to Unilever, U.K. is under review?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). M/s. Hindustan Lever Limited was permitted under section 29(2)(a) of Foreign Exchange Regulation Act, 1973 to continue to carry on its business in India with 51% foreign equity subject, *inter-alia*, to the conditions that (i) the annual turnover from its core sector activities would not be less than 60% of its total turnover; and (ii) not less than 10% of its own production during each year would be exported. The company has been fulfilling these stipulations.

Export of ready-made garments

3656. SHRI MOHANBHAI PATEL: Will the Minister of TEXTILES be pleased to state:

(a) the names of the countries which are in the trade of exporting readymade garments;

(b) what is India's position in this trade

(c) the value of garments exported during the years 1985-86, 1986-87 and likely to be exported during the year 1987-88;

(d) whether it is a fact that India is losing its market in this field;

(e) if so, the main reasons therefor; and

(f) the steps being taken by Government to save this industry?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) According to available information, readymade garments are being exported by almost all developed and developing countries.

(b) India's share in total world trade in readymade garments is around 2%.

(c) The value of garments exported during 1985-86, 1986-87 and 1987-88 (April-December) was as under:—

	(Rs. in crores)
1985-86	1096.14
1986-87	1503.68
1987-88 (Apr.-Dec.)	1254.83

Source: Apparel Export Promotion Council

(d) and (e). No, Sir.

(f) A statement is given below.

STATEMENT

The following steps have been taken to boost the export of garments:-

1. Sophisticated garment manufacturing machines not manufactured indigenously are allowed to be imported on OGL. As many as 119 machines for garment and hosiery manufacture have been placed under OGL, 104 of them enjoying concessional import duty.
2. Revised rates of CCS have been announced effective from 1st July, 1986. These rates have been announced for a period of 3 years and are generally higher than before. Slow moving items of garments on which CCS was not admissible when exported to quota countries have been made eligible for CCS.
3. Cotton garments have been brought under the scheme of Contract Registration with a view to providing an element of certainty to exporters in the matter of CCS.
4. A National Institute of Fashion Technology has been set up in Delhi for education, research and training in the areas of fashion design for garment manufacture.
5. The duty drawback rates for cotton garments have been increased to 10%.
6. The number of days of pre-shipment credit has been increased from 90 days to 180 days. The rate of interest has also been reduced by 2.5%.
7. Many items of raw material/fabrics are permitted to be imported under Duty Free REP Scheme and the Import-Export Pass Book Scheme.
8. The scope of Advance Licensing and Pass Book Schemes has been widened and procedures simplified.
9. Under 100% Export Oriented Units and Free Trade Zones Scheme, facilities for liberal import of capital goods and raw materials alongwith many other concessions are given.
10. Government has been giving liberal assistance for sponsoring and funding promotional activities such as market studies, buyer-seller-meets, participation in international fairs and exhibitions.
11. Permission for use of foreign brand names for domestic sales has been approved in the case of readymade garments with the stipulation that only indigenous fabrics are used; at least 75% of the production is exported and no royalties are allowed on domestic sales.
12. The agency commission has been increased and rules for blanket permission for foreign exchange have been substantially liberalised.

Per Capita Assistance by Financial Institutions

3657. SHRI SATYAGOPAL MISRA: Will the Minister of FINANCE be pleased to state:

(a) per capita assistance received by different States during the last three years from the public sector financial institutions; and

(b) year-wise and State-wise details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). A statement

showing Statewise/Union Territory-wise details of per capita assistance disbursed

by all Financial Institutions during the last 3 years is given below.

STATEMENT

Sl. State No.	1984-85 Disbursed ¹	1985-86 Disbursed	1986-87 Disbursed
1. Andhra Pradesh	59.05	72.32	77.31
2. Arunachal Pradesh	29.33	32.00	25.00
3. Assam	16.11	24.20	24.57
4. Bihar	9.85	11.22	19.57
5. Goa	213.73	230.90	247.54
6. Gujarat	92.42	164.24	219.08
7. Haryana	99.53	78.57	105.05
8. Himachal Pradesh	92.65	150.00	136.51
9. Jammu & Kashmir	52.40	55.10	76.88
10. Karnataka	88.40	110.64	94.88
11. Kerala	38.86	40.36	48.66
12. Madhya Pradesh	38.14	59.44	51.92
13. Maharashtra	87.77	120.84	137.13
14. Manipur	2.07	15.43	33.64
15. Meghalaya	28.08	74.92	36.15
16. Mizoram	29.60	80.40	70.80
17. Nagaland	29.50	48.87	43.75
18. Orissa	39.84	61.70	64.56
19. Punjab	62.33	64.96	98.11
20. Rajasthan	42.54	51.44	72.13
21. Sikkim	66.67	98.67	183.33
22. Tamil Nadu	74.74	95.07	99.63
23. Tripura	2.29	6.05	11.81
24. Uttar Pradesh	27.18	42.31	57.10

Sl. State No.	1984-85 Disbursed	1985-86 Disbursed	1986-87 Disbursed
25. West Bengal	36.09	41.62	56.65
<i>Union Territories</i>			
i) Andman & Nicobar	18.00	59.50	13.00
ii) Delhi & Chandigarh	83.54	186.99	164.84
iii) Dadra & Nagar Haveli	187.00	533.00	963.00
iv) Pondicherry and Lakshadweep	396.77	236.50	411.50
ALL INDIA	50.24	67.96	78.78

Population figures are based on 1981 census

Note: All Financial Institutions refer to IDBI, IFCI, ICICI, LIC, UTI, GIC, IRBI, SFCs & SIDCs

[Translation]

Study of movable/immovable property

3658. SHRI JITENDRA PRASADA: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has conducted a study regarding the per family average of movable and immovable property in rural and urban areas;

(b) if so, the State-wise details thereof and the percentage of industrial property and assets, separately; and

(c) the steps taken or proposed to be taken to remove disparity, if any, in regard to the value of movable/immovable property in rural and urban areas?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN

THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The results of a research study conducted by the one of the officers of the Department of Statistical Analysis and Computer Services of the Reserve Bank of India on the subject of tangible wealth of household sector have been brought out in "Occasional Papers" of June 1987 published by the Reserve Bank. This study does not reflect the views of the Bank. Responsibility for views expressed and accuracy of the statements contained in the study rest with the author.

(b) and (c). State-wise break-up of rural and urban areas are available only for the average value of tangible wealth as a whole per household in this research study. This is given in the statement below. Value of movable/immovable property in rural and urban areas is dependent on various economic factors and is likely to differ from area to area.

STATEMENT

Average Value of Tangible Wealth per Household (1981)

State	(Rs.)		
	All Areas All households	Rural Areas All households	Urban areas All households
	(1)	(2)	(3)
Andhra Pradesh	26696	25992	29204
Assam	21054	20101	29304
Bihar	31811	32042	30174
Gujarat	36733	36371	37509
Haryana	80766	90100	53973
Himachal Pradesh	60122	61416	48156
Jammu and Kashmir	62733	58287	80987
Karnataka	33991	32454	38300
Kerala	80806	75178	107863
Madhya Pradesh	27870	29318	22777
Maharashtra	34723	34392	35364
Orissa	17464	17392	17935
Punjab	83731	95671	51984
Rajasthan	39604	40466	36482
Tamil Nadu	22853	19048	30464
Uttar Pradesh	42313	44290	34066
West Bengal	21192	20075	23864
All-India	35715	35598	36088

[English]

Tax hiding of Hindustan Lever Limited

3659. SHRIMATI GEETA MUKHERJEE:
Will the Minister of FINANCE be
pleased to refer to the reply given on 11

December, 1987 to Unstarred Question
No. 5506 regarding tax hiding of Hindustan
Lever Limited and state:

(a) whether the requisite information
has since been collected;

(b) if so, details thereof; and

(c) if not, the time by which the information in question is likely to be collected?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA): (a) and (b). No, Sir.

(c) Efforts are being made to collect the information in the minimum possible time.

Claims entertained by GIC in Delhi

3660. SHRI KAMLA PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) the number of cases of house/shop burglary/theft/robbery, fire, road accidents claims entertained by General Insurance Corporation during the last 12 months in Delhi and how does these figures compare with the figures of the last three years; and

(b) the safeguards and measures the insurer should take to get full insurance cover under different headings in detail?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The information is being collected and will be laid on the Table of the House.

Imports of Plants and equipments by Burma

3661. SHRIMATI JAYANTI PATNAIK: Will the Minister of COMMERCE be pleased to state:

(a) whether Burma proposes to import plants and equipments from India;

(b) if so, the details of the plants and

equipments proposed to be imported by Burma during 1988-89; and

(c) the value thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) to (c). Discussions with the Burmese side on export possibilities from India have been held from time to time. The Burmese have indicated interest, in principle, to import a variety of products from India including engineering items like steel products, tyres and tubes, electric starters, air circuit breakers, switches, paints, railway rolling stock, etc. No interest in any specific plant/equipment has been indicated.

Jute Development Fund

3662. SHRI SYED SHAHABUDDIN: Will the Minister of TEXTILES be pleased to state:

(a) the progress in the implementation of different schemes taken up under the Jute Development Fund; and

(b) whether the fund is likely to be utilised also for upgrading the quality of jute and for providing institutional credit to the jute cultivators?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b). A statement is given below.

STATEMENT

The Govt. has set up a Jute Special Development Fund of Rs. 100 crore for rehabilitation and restructuring of jute industry as well as for development of jute agriculture. The various schemes drawn up under this Fund are under different stages of implementation.

During 1987-88 the following amounts have been released out of the Fund:--

(i) Raw Jute Agriculture
Development Programme
to be implemented by
Jute growing states

... Rs. 6 crore

- (ii) Assistance to the State level Cooperative Procurement Agencies of Jute Corporation of India to construct godowns and other facilities. ... Rs. 2 crores
- (iii) Support to Jute R & D Organisations. ... Rs. 1.05 crore (Approx.)

Ministry of Agriculture are supervising and coordinating the implementation of the Raw Jute Agriculture Development Programme. The programme aims at up-grading the quality of jute as well as increasing per hectare productivity. There is no provision of institutional credit to the jute cultivators under this programme which is to be managed by the State Governments through the Agricultural Cooperative Credit Institutions and Nationalised Banks.

Govt. have set up a High Level Inter-Ministerial Committee to review the progress of different schemes on a periodical basis.

Changes in Sick Industrial Companies Act,

3663. SHRI KAMAL NATH:
SHRI S.B. SIDNA:
DR. G.S. RAJHANS:
SHRI BANWARI LAL PUROHIT:

Will the Minister of FINANCE be pleased to state:

(a) whether the Federation of Indian Chambers of Commerce and Industry has suggested some important changes in the Sick Industrial Companies (Special Provisions) Act, 1985;

(b) if so, the broad outlines of the suggestions made;

(c) the reaction of Government thereto; and

(d) the extent to which the implementation of the suggestions will help in improving the sick units?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) to (d). Do not arise.

New tea plantation in Eastern States

3664. SHRI ANAND PATHAK: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have taken a programme for new tea planting and replacing in Eastern States; and

(b) if so, when and the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) and (b). Yes, Sir. The Seventh Plan document drafted by Tea Board in consultation with Tea Industry and Tea Research Association envisaged the following programmes of new planting and replanting in the traditional tea growing areas of Eastern States:--

State	(Hect.)	
	Extension Planting	New Planting
1	2	3
Assam	11,050	8,975

1	2	3
West Bengal	3,500	3,950
Tripura	775	500

Area under new tea plantations

3665. SHRI MANIK SANYAL: Will the Minister of COMMERCE be pleased to state:

(a) the total area to be brought under new tea planting and replanting, State-wise;

(b) the amount so far earmarked for this purpose; and

(c) when these schemes are to be taken up?

THE MINISTER OF STATE, IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) The Seventh Five Year Plan drafted by Tea Board in consultation with the Tea Industry envisaged new tea planting and replanting in 42,300 hectares subject to additional land being made available by States.

(b) and (c). In the Seventh Plan outlay for tea, an amount of Rs. 150 lakhs has been provided for Tea Plantation Finance Scheme and Rs. 100/- lakhs for the New Tea Unit Financing Scheme as loan component and Rs. 1,200 lakhs and Rs. 75 lakhs respectively as subsidy component. These are on-going Schemes of Tea Board.

Share of Eastern region from all India financial institutions

3666. SHRI PURNA CHANDRA MALIK: Will the Minister of FINANCE be pleased to state:

(a) whether the eastern region of the country has not received its due share from the all India financial institutions;

(b) if so, the details thereof;

(c) the reasons for such discrimination; and

(d) the steps proposed to be taken to remove such discrimination?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). Available data relating to cumulative per capita assistance, disbursed to the States mentioned below, by the Financial Institutions upto the end of March, 1987, as compared to the All India figure, are given below:

State	Per capita assistance disbursed
	(in Rupees)
1. Bihar	109.90
2. Orissa	328.85
3. Sikkim	418.67
4. West Bengal	334.38
All India	425.41

State-wise distribution of assistance of financial institutions depends upon the number of applications for viable projects originating from different States and, *inter-alia*, locational decisions of entrepreneurs. Locational decisions of entrepreneurs in turn depend upon factors which include availability of skilled labour, power and other infrastructural facilities and proximity to markets.

With a view to encouraging industrialisation in specified backward area, institutions provide financial assistance on concessional terms to units set up in the backward areas.

Growth rate of deposits of Andhra Bank

3667. SHRI P. PENCHALLIAH: Will the Minister of FINANCE be pleased to state:

(a) the growth rate of deposits of Andhra Bank in foreign units; and

(b) the details thereof for the last three years?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The growth rate of FCNR/NRE deposits of Andhra Bank during the last three years (latest available) is set out below:—

Year	Growth Rate (%)
1984	56.7
1985	77.7
1986	46.8

Proposal to bring Tenughat reservoir under Damodar Valley Reservoir Regulation Commission

3668. DR. SUDHIR ROY: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether there is any plan to bring the Tenughat reservoir under the Damodar Valley Reservoir Regulation Commission (DVRRC) in order to reconcile the interest of Bihar and West Bengal;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Yes, Sir.

(b) and (c). The proposal made by the Government of West Bengal is under study by the Government of Bihar.

[Translation]

Loans given by NABARD in Madhya Pradesh

3669. SHRI K. N. PRADHAN: Will the Minister of FINANCE be pleased to state the number of farmers and other persons to whom loans have been given by the National Bank for Agriculture and Rural Development in Madhya Pradesh for plantation and for afforestation on the waste land the full details in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): The National Bank for Agriculture and Rural Development (NABARD) extends refinance facilities to the eligible institutions so as to enable them to finance schemes for the development of wastelands. NABARD has reported that it has sanctioned 10 schemes for wasteland development in the State of Madhya Pradesh. The details of the schemes such as types of the schemes, category and number of beneficiaries and quantum of bank loan refinanced by NABARD are given in the statement below.

STATEMENT

(Rs. in lakhs)

Name of the Scheme	Category of beneficiary	Bank loan sanctioned	NABARD refinance sanctioned
1	2	3	4
1. Wasteland Development Scheme by M/s. BEEJAY	Individual beneficiary scheme (ONE)	3.82	3.44

1	2	3	4
2. Wasteland development scheme for financing Eucalyptus plantation of Shri Ajiv Kapoor in Bhopal Distt.	Other farmer (ONE FARMER)	2.02	1.818
3. Wasteland Dev. Scheme for financing Eucalyptus plantation in Seoni Distt., M.P.	M/s. Bhatolia Agroforestry (Partnership concern)	3.41	3.072
4. Wasteland Dev. Scheme for financing Farm Forestry in Datia Distt. of M.P.	500 beneficiaries (farmers)	27.90	25.00
5. Wasteland Dev. Scheme for Establishment of Subabul Plantations in Durg Distt.	farmers	4.861	4.375
6. Wasteland Dev. Scheme for Establishment of Subabul and Eucalyptus Bhopal	farmers	0.691	0.622
7. Scheme for Establishment of Private Nurseries under Wasteland Dev. Programme of Sh. Man Har S/o. Sh. Nandjee, Distt. Dhar, M.P.	Individual beneficiary (ONE)	0.073	0.073
8. Wasteland Dev. Scheme for Subabul Cultivation, Indore Distt.	Other farmer (ONE)	0.808	0.727
9. Wasteland Dev. Scheme for M/s. Saga Farms and Industries in Guna Distt.	Pvt. Ltd. Company-	7.25	6.525
10. Wasteland Dev. Scheme for Farm Forestry in Riagarh Distt.	Other farmer (ONE)	1.632	1.469

*[English]***Nagarjun Sagar Project**

3670. SHRI T. BALA GOUD: Will the Minister of WATER RESOURCES be pleased to state:

(a) the total expenditure incurred on the Nagarjun Sagar Project in Andhra Pradesh so far; and

(b) the amount so far provided by Union Government for this Project?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) An expenditure of Rs. 613 crores is anticipated upto March, 1988.

(b) A loan assistance of about Rs. 140 crores was sanctioned for Nagarjun Sagar Project.

Foreign Offices of Indian Banks

3671. SHRI G. M. BANATWALLA: Will the Minister of FINANCE be pleased to state:

(a) the total number of foreign offices of Indian banks;

(b) whether many of these offices have been incurring heavy losses;

(c) if so, the steps proposed to be taken or being taken to assess the losses to indicate the countries in which heavy losses are being incurred and to evaluate the performance of those foreign offices; and

(d) whether Government propose to institute any enquiry; if so, the nature and terms of reference of the enquiry and the time by which the report would be available?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India has reported that as on 31st December, 1987 nine Indian banks had 120 foreign branches.

(b) to (d). Some of the foreign branches of Indian banks have been, in the last few years, faced with certain problem accounts and loan losses due to their exposures in some countries in Africa, Latin America and South East Asia, which were facing problems of extra-nationalisation of payments, and their involvement in certain joint ventures abroad. Reserve Bank of India had undertaken an exercise to rationalise and strengthen the operations of the foreign branches. As a result of this

exercise, some branches of certain public sector banks operating in the United Kingdom were closed down and their assets and liabilities were transferred to some other banks operating in the United Kingdom. The banks were also advised to review the operations of their foreign branches and take steps to close down the non-viable branches.

The performance of the foreign branches of Indian banks is continually reviewed by the Reserve Bank of India. A number of steps have been taken to improve the working of these branches and for strengthening the operational and control systems within the banks. The Reserve Bank of India guidelines provide *inter-alia* for fixing up of limits of exposure for individual borrowers/borrower groups, fixing up of country-wise exposure limits, development of proper credit rating etc.

Garment export to Canada

3672. SHRI PARASRAM BHARDWAJ: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that a number of garment items are becoming popular in Canada;

(b) if so, the details thereof;

(c) whether Canadian Government has also expressed its interest in the import of such garment items from India; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) (a) to (d). Garment export from India to Canada is governed by the provisions of the Indo-Canadian Memorandum of Understanding (MOU). The current MOU covers the following apparel items:--

- (1) Shirts with tailored collar,
- (2) Trousers, etc.,
- (3) Jackets,
- (4) Shirts, Blouses, etc. and

(5) **Dresses.**

India's exports of garments to Canada in 1987 was Rs. 51 crores.

**Export of equipment and Machinery
by P & PC**

3673. SHRI YASHWANTRAO GADAKH PATIL: Will the Minister of COMMERCE be pleased to state:

(a) whether the Projects and Equipment Corporation has taken steps to step up exports of equipment and machinery; and

(b) if so, the details thereof and the result achieved?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) and (b). Yes, Sir. The Projects and Equipment Corporation of India Limited (PEC) has taken measures to increase export of equipment and machinery to countries like Soviet Union, Vietnam, Bangladesh, Guyana, Hungary, Zambia and Kenya. PEC has signed a Memorandum of Understanding with the concerned Soviet organisations for supply of railway rolling stock components to the USSR. PEC has also recently conducted a market survey on engineering items in the USA, which has already generated some enquiries.

**RBI group to examine Factoring
Organizations**

3674. SHRI K. S. RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has recently constituted a Group to examine the feasibility of setting up "FACTORING" Organisations for collecting payments for supplies by ancillary units to Public and Private Sectors;

(b) if so, the composition of the Group and the terms and conditions set by the R.B.I.; and

(c) in what way the Group will help in removing the difficulties faced by industrial units.

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank of India has constituted a Study Group to examine aspects relating to 'factoring' and to give recommendations. The terms of reference of study group include the need and scope for introduction of factoring institutions (including for exporters in the country), their constitution, area of operations, organisational set-up and their economic and commercial feasibility. Representatives from Government of India, Reserve Bank of India, Commercial Banks, Industrial Development Bank of India, Export Credit Guarantee Corporation and National Institute of Bank Management are the Members of the Group.

Sick spinning and weaving mills

3675. SHRI C. K. KUPPUSWAMY: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that a number of spinning and weaving mills have fallen sick on account of their mismanagement;

(b) if so, the details thereof; and

(c) the specific steps taken by Union Government to run the mills in proper order and rehabilitate the jobless workers?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b). Mismanagement is one of the causes of sickness in the organised textiles industry.

(c) Government had set up a Nodal Agency to examine sick textile mills in order to ascertain whether they are potentially viable or not. The Nodal Agency evolves and manages rehabilitation packages for textile mills found by it to be viable. In addition, a Board for Industrial and Financial Reconstruction has also been set up to consider the cases of sick textile companies also. A Textile Modernisation Fund has also been created to meet the modernisation needs of textile mills. Non-viable mills may have to close down permanently.

Increase in price of Dyes and Chemicals

3676. SHRI C. SAMBU: Will the Minister of TEXTILES be pleased to state:

(a) whether Government are aware of the fact that the prices of Dyes and Chemicals used in Handloom sector have enormously increased;

(b) if so, the reasons therefor and

(c) the specific action taken by Government to reduce the prices of the Dyes and Chemicals?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) to (c). Average prices of Dyes and Chemicals used in the handloom sector have registered an increase of 8 to 10% both during 1986-87 and 1987-88. These increases are due to the increase in the cost of raw materials, packing materials, excise duty etc. These increases cannot be considered as abnormal.

Appointment of Executive Directors in MMTC/STC

3677. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether any guidelines/rules have been framed regarding the selection and appoint of Executive Directors, both from outside and the existing managerial personnel, in the Minerals and Metals Trading and the State Trading Corporations;

(b) if so, the details thereof

(c) the particulars of such Directors who had been granted extension of service or re-employment in these two Corporations during the year 1987-88 (uptill date) and the reasons therefor;

(d) whether any guidelines have been laid down by the respective Corporations or by the Ministry to deal with such cases; and

(e) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) and (b). Bureau of Public Enterprises have issued guidelines for selection and appointment of Executive Directors of public enterprises. These are applicable to STC and MMTC too. Appointment of Executive Directors in these Corporations is made under the provision of their respective Articles of Associations, after considering the recommendations of Public Enterprises Selection Board.

(c) to (e). No Directors in these Corporations was granted extension in service or re-employment after his reaching the age of superannuation during 1987-88. Under the existing policy such extensions are not premitted.

Races of Silk worm

3678. SHRI R. P. DAS: Will the Minister of TEXTILES be pleased to state:

(a) the number of new races of silk worm evolved during the last decade;

(b) the number of races employed for commercial exploit;

(c) the result thereof; and

(d) which of the Sericulture Research Station occupied the Prime position in evolving such races that helped the industry to attain higher productivity?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) 25 new races of silk worm have been evolved during the last decade.

(b) and (c). 6 races viz. NB4D2, KA, NN6D, NB7, NB18 & HOSA Mysore are performing very well in the field and the average yield per 100 dfls has increased upto 30 to 35 kg. 10 new strains are undergoing various multilocational trials and giving promising results. Rest of the races are under field trials and the

laboratory findings have shown very encouraging results.

(d) Central Sericulture Research & Training Institute, Mysore.

Intimation regarding rejection of bank loans to applicants

3679. SHRI SHANTARAM NAIK: Will the Minister of FINANCE be pleased to state:

(a) whether the nationalised banks do not convey grounds of rejection of loans to the applicants; and

(b) if so, whether the Union Government/Reserve Bank of India propose to issue any guidelines to that effect?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The Reserve Bank of India has reported that the banks have been advised to maintain a register at each branch wherein the date of receipt, sanction/rejection with reasons therefor should be recorded. The banks have been further advised in the context of Integrated Rural Development Programme that the reasons for rejection should be recorded on the application form itself and the same should be returned to the sponsoring authorities. However, for all advances under priority sector, there are no specific instructions to banks for communicating the reasons for rejection.

[Translation]

Scheme to stop water logging in Bihar

3680. SHRIMATI MADHUREE SINGH: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether major part of agricultural land in Bihar remains under water and whether any scheme has been forwarded to Union Government for clearance;

(b) if so, the time by which clearance is to be given;

(c) whether keeping in view the limited financial resources of the State, Union Government propose to provide additional financial assistance to the State for implementation of this project;

(d) if so, the extent to which Government propose to give grant assistance for the project and the time by which it is proposed to be given;

(e) whether action is being taken to obtain foreign aid for this project and if so, the time by which it is likely to be received?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (e). A project report for improving drainage conditions in the irrigation commands of the Gandak and Kosi Projects prepared by the Government of Bihar has been received in the Planning Commission in January 1988. On approval of projects, it is the responsibility of State Governments to implement such projects in accordance with priorities and funding strategy envisaged in the Plan.

There is no proposal now to pose this project for external assistance.

[English]

Commission to agents under recurring deposit scheme

3681. SHRI V.N. GADGIL: Will the Minister of FINANCE be pleased to state:

(a) whether the commission paid to Mahila agents for operating the Recurring Deposit Scheme has not been revised for several years; and

(b) whether Government propose to increase the commission paid to them in view of the rise in cost of living and the nature of work?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The rates of

commission have been revised from time to time and is 4.0 per cent from 1.7.1976.

(b) The Associations representing the Mahila agents have sought for increase in the rate of commission.

Circulation of soiled currency notes

3682. SHRI N. DENNIS: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of soiled currency notes in circulation; and

(b) if so, the steps taken to stop its circulation?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The Reserve Bank of India have issued instructions to all banks maintaining Currency Chest to sort out notes available with them into reissuables and non-issuables and issue to public and other banks only reissuable notes which are not soiled/torn/mutilated alongwith fresh notes. Facilities for exchange of soiled notes have been made available at all branches of public sector banks for the benefit of public.

[Translation]

Life of a panel recommended by UPSC

3683. SHRI SARFARAZ AHMED: Will the Minister of WATER RESOURCES be pleased to state:

(a) the time after which the panel lapses after selection of the candidates by the Union Public Service Commission and receipt of the list by the Ministry and whether this panel lapses automatically or the Ministry issues any communique in this regard;

(b) whether a panel for the post of editor for some journals being published under his Ministry, exists for the last few months; and

(c) whether there has been delay in despatching appointment letters?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Government instructions provide that offers of appointment to candidates recommended by Union Public Service Commission for direct recruitment, should normally be issued within 3-4 months and undue delay in making such offers should be avoided.

(b) The Union Public Service Commission has recommended one Candidate each for appointment to the post of Editor, Bhagirath (English) and Editor, Bhagirath (Hindi), two journals being published by the Central Water Commission an attached office of the Ministry of Water Resources

(c) For the post of Editor, Bhagirath (English), action to issue appointment letter is under progress. For the post of Editor, Bhagirath (Hindi), the offer of appointment has already been issued.

Irrigation area under Banswara Mahi Project (Rajasthan)

3684. SHRI PRABHU LAL RAWAT: Will the Minister of WATER RESOURCES be pleased to state the total area of land irrigated by Banswara Mahi Project in Rajasthan?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): An area of about 45,000 ha. of land has been brought under irrigation so far against the design potential of 80,000 ha. under the Mahi Bajaj-Sagar Project in Rajasthan.

[English]

Disposal of handloom stock in Punjab

3685. SHRI KAMAL CHAUDHRY: Will the Minister of TEXTILES be pleased to state the steps taken to ensure disposal of stocks lying with handloom societies in Punjab?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): A special rebate of 20% to be shared equally between the Centre and State Governments is offered on retail sales of handloom fabrics marketed by the Handloom Co-operative Societies and the Handloom Development Corporations throughout the country, including Punjab. In addition, the special rebate is also available on sales affected in National Handloom Expos approved and organised by Office of the Development Commissioner for Handlooms.

Deficit in Seventh Plan

3686. PROF. P. J. KURIEN: Will the Minister of FINANCE be pleased to state:

(a) the annual deficit during the past three years of the Seventh Five Year Plan period;

(b) how does it compare with the Sixth Five Year Plan period;

(c) the rates of inflation during the same

period of the Seventh Five Year Plan period;

(d) the details of the erosion of real income in respect of the fixed income group during this period; and

(e) the steps taken to neutralise the erosion of income?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). A statement is given below.

(d) and (e). Workers in the organised sector including Government employees are compensated for the rise in prices through payment of dearness allowance linked to the cost of living index. The workers in the unorganised sector are also sought to be compensated through periodic revision in the minimum wages to take into account the rise in the cost of living.

STATEMENT

Centre's Budgetary Deficit				Increase in Wholesale Price Index (WPI) @@	
First three years of Sixth Plan		First three years of Seventh Plan		Year Percentage	
Year	Amount (Rs. crores)	Year	Amount (Rs. crores)		
1980-81	2,576*	1985-86	5315**	1985-86	+ 3.8
1981-82	1,392*	1986-87	8,261@	1986-87	+ 5.3
1982-83	1,656**	1987-88(RE)	6,080	1987-88.	+ 9.3

* Ignores the funding of Rs. 100 crores in 1980-81 and Rs. 3500 crores in 1981-82 of adhoc treasury bills into dated/special securities.

** Excludes Rs. 1,743 crores in 1982-83 and Rs. 1,628 crores in 1985-86 of loans given to States to clear their overdrafts with Reserve Bank of India.

@ Provisional.

@@ Increase measured on a point to point basis.

‡ As on 27.2.88.

Raids on the premises of lottery agents

3687. SHRIMATI PATEL RAMABEN
RAMIIBHAI MAVANI:
SHRI U. H. PATEL:

Will the Minister of FINANCE be pleased to state:

(a) whether a number of raids have been conducted at the premises and offices of lottery agents and other persons connected with lottery business at Gujarat, Delhi, Bombay and other places of the country during 1 January, 1986 to 28 February, 1988;

✓, c

(b) if so, the details thereof;

(c) the details of fake lottery tickets, unaccounted money and incriminating documents seized therefrom; and

(d) the number of persons involved therein and the action taken against them?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA): (a) to (d). The Income Tax Department conducted 54 searches at the premises of lottery agents and others connected with the lottery business at Delhi, Madras and Calcutta during this period. These searches resulted in the seizure of prima facie unaccounted assets worth Rs. 3.50 crores. Besides, a number of prize-winning lottery tickets, fake lottery tickets and other incriminating documents indicating tax-evasion have also been seized during the course of these searches. The Government is taking appropriate action under Direct Taxes Acts in all cases of tax evasion.

**Water supply from Indira Gandhi Canal
and Sawa scheme to Jhunjhunu in
Rajasthan**

3688. SHRI MOHD. AYUB KHAN: Will the Minister of WATER RESOURCES be pleased to state:

(a) the time by which Jhunjhunu will start getting water supply from Indira Gandhi canal;

(b) whether water supply from SAWA Scheme will be sufficient to meet the requirement of potable water in Jhunjhunu;

(c) if so, the time by which the people of Jhunjhunu area will be able to get water supply from the scheme; and

(d) if not, the scheme from which potable water supply is being arranged for them?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (d). No scheme to provide drinking water to areas in Jhunjhunu district of Rajasthan from the Indira Gandhi Nahar via the Sahwa Lift Irrigation Scheme has been approved so far by the State Government.

[English]

Raids on five star hotels

3690. SHRI RAM BHAGAT PASWAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that some five star hotels in New Delhi were raided by various agencies during the last years;

(b) if so, the details of searches made and irregularities discovered during these raids; and

(c) the action taken against them?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA): (a) Yes, Sir.

(b) and (c). The details of searches conducted by enforcement agencies of Finance Ministry are given in the statement below.

STATEMENT

Sl. No.	Name of five star hotel and date of search	Irregularities discovered	Action taken
1.	Hyat Regency Hotel (office premises of managing Director) 26.6.85	No irregularity found	
2.	M/s. Asian Hotel Ltd., New Delhi (Hyat Regency), Bikaji Cama Place, 14.7.87	Evasion of Customs duty to the tune of Rs. 1.89 lakhs on import of spare parts of laundry machine	In addition to confirmation of demand of differential Customs duty of Rs. 1.89 lakhs, redemption fine of Rs. 2 lakhs and penalty of Rs. 50,000/- have also been imposed. All dues have been recovered
3.	M/s. Hotel Meredian, New Delhi 28.11.86.	The investigations are in progress and required action under the law will be taken	--

Apart from the above, searches were also conducted in the rooms of Five Star Hotels (not against Hotel management) as given below:--

Sl. No.	Name of five star hotel	Room No.	Month of search	Irregularity found	Action taken
1.	Maurya Sheraton Taj Palace	1143 422	May, 1986	100 gold biscuits of foreign origin valued at Rs. 23 lakhs approx. recovered	The latest position on the action taken is being ascertained from the field formations and will be laid on the Table of the House
2.	Kanishka Hotel	1318	Jan., 1987	120 gold biscuits of foreign origin valued at Rs. 32.89 lakhs approx. recovered	--do--

1	2	3	4	5	6
3.	Maurya Sheraton	1107	June, 1987	22 kg. of foreign marked gold valued at Rs. 59.84 lakhs approx. recovered.	--do--
4.	Ashoka Hotel	317	Nov., 1987	1.250 gms. of heroin was recovered.	6 persons have been arrested

World bank loan for sail

3691. SHRI H.N. NANJE GOWDA:
SHRI NARAYAN CHOUBEY:

Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has agreed to give to the Steel Authority of India Limited a loan of \$ 50 million as part of a \$ 360 million industrial finance loan;

(b) if so, the term and conditions thereof;

(c) whether it will help in productivity improvement measures at SAIL; and

(d) the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). Negotiations were held with the World Bank in the middle of February, 1988 for a loan of \$ 360 million for the Industrial Finance and Technical Assistance Project which includes a \$ 50 million loan to Steel Authority of India Limited for technical assistance including a study on productivity improvement and planning. However, the loan is yet to be approved by the Board of Directors of the Bank and details have not been finalized.

[Translation]

Export of Alumina

3692. SHRI RAJ KUMAR RAI: Will the

Minister of COMMERCE be pleased to state:

(a) the quantity of alumina exported to various countries by the National Aluminum Company during last two years, year-wise;

(b) the names of the countries to which alumina is being exported; and

(c) the amount of foreign exchange being earned?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) to (c). No exports of alumina have been made by National Aluminum Company Limited (NALCO) during 1985-86 and 1986-87. During 1987-88 (April-February) it exported 14,690 MT of alumina and earned US \$ 7.368 million of foreign exchange. These exports were made to North Korea and Bahrain.

[English]

Impact on out board engines for fishermen

3694. SHRI A. CHARLES: Will the Minister of COMMERCE be pleased to state:

(a) the number of out board engines (OBM) imported for the use of traditional fishermen in the marine sector during 1985-86 and 1987-88;

(b) the percentage of customs duty, auxillary duty and countervalue duty

charged as import duty for the import of out board engines;

(c) the total amount of the above duty received by Government during 1985-86 and 1987-88; and

(d) whether any subsidy is being paid to the traditional fishermen for procurement of OBM and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) Out Board Motors upto 10 H.P. are allowed for import by all persons under Open General Licence, while those above 10 H.P. can be imported against a licence. Statistics regarding imports category-wise are not available.

(b) For import by State Fisheries Corporations the basic duty is 40%, the auxiliary duty is 30% and the C.V.D. is 10% totalling 87% *ad-valorem*. For import by others, the basic duty is 45%, the auxiliary duty is 45% and the C.V.D. is 0% totalling 90% *ad valorem*.

(c) The Customs authorities do not maintain separate figures of the total amount of duty recovered on specific goods such as, Out Board Engines.

(d) The Department of Agriculture and Cooperation has launched a centrally sponsored scheme for mechanisation viz. mechanisation (Motorisation) of traditional fishing craft. Under the Scheme with an outlay of Rs. 187.50 lakhs, 5000 traditional fishing crafts all over the country are proposed to be covered. The central subsidy will be limited to Rs. 3750/- per OBM. The State Governments are expected to contribute equally as subsidy towards each OBM and the remaining amount is proposed to be financed by Banks.

Export of Alumina to South Korea

3695. SHRI SRIBALLAV PANIGRAHI: Will the Minister of COMMERCE be pleased to state:

(a) the countries which are importing Alumina from India;

(b) whether South Korea had placed order for import of Alumina on the National Aluminium Co. Ltd. (NALCO);

(c) if so, the approximate annual demand of Alumina placed by South Korea; and

(d) the total quantum of Alumina exported to that country through NALCO?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) Alumina is being exported from India to USSR, North Korea and Bahrain.

(b) No, Sir.

(c) and (d). Do not arise.

Tandon Committee's report on tea marketing

3696. SHRI S.M. GURADDI:
SHRI G.S. BASAVARAJU:

Will the Minister of COMMERCE be pleased to state:

(a) whether tea industry has requested for implementing the Tandon Committee's recommendations on tea marketing in place of present compulsory auction system;

(b) whether the Tandon Committee's recommendations have not so far been implemented by Government; and

(c) if so, the main reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) Tandon Committee's recommendations were made in 1978 whereas the compulsory auction system was introduced through the Tea Marketing Control Order only in 1984.

(b) and (c). The recommendations of the Tandon Committee has been examined by the Government and implemented wherever found feasible.

Industrial licences for EOUs

3697. SHRI RANJITSINGH GAEKWAD:
Will the Minister of COMMERCE be
pleased to state:

(a) the new industrial licences issued for
setting up export oriented Units (EOU's) in
such State during 1985, 1986 and 1987;
and

(b) the number of Units which have
commenced production and fulfilled the
export objectives during the last three
years, State-wise?

THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE (SHRI P. R.
DAS MUNSI): (a) and (b). A statement is
given below furnishing the approvals
granted during 1985, 1986 and 1987 and
the number of units that have reported
commencement of operation against all
valid approvals granted Statewise upto the
end of 1987. Out of the approvals
accorded during 1985, 5 units have
commenced production. Of these 2 are in
Gujarat and one each in Karnataka,
Maharashtra and Uttar Pradesh. Units in
production are required to export the
entire output in accordance with the Policy.

STATEMENT

*Approvals issued for setting up 100% Export Oriented Units State-wise break for the three years
1985, 1986 and 1987*

	State	1985	1986	1987
	1	2	3	4
1.	Andhra Pradesh	27	62	31
2.	Bihar	1	1	--
3.	Gujarat	7	5	--
4.	Haryana	--	4	2
5.	Himachal Pradesh	1	--	--
6.	Karnataka	5	16	5
7.	Kerala	1	1	--
8.	Madhya Pradesh	--	1	3
9.	Maharashtra	19	6	2
10.	Orissa	--	3	--
11.	Punjab	3	1	--
12.	Rajasthan	1	1	--
13.	Tamil Nadu	11	22	2
14.	Uttar Pradesh	5	5	--
15.	West Bengal	2	9	--
16.	Delhi	11	2	4

	1	2	3	4
17.	Goa	1	--	--
18.	Pondicherry	1	1	2
	Total	96	140	52

State-wise break up of Units in operation against all valid approvals issued upto the end of 1987

	State	No of valid approvals	No. of Units that have reported commencement of operation
	1	2	3
1.	Andhra Pradesh	150	5
2.	Assam	1	1
3.	Bihar	13	5
4.	Gujarat	40	7
5.	Haryana	13	2
6.	Himachal Pradesh	3	...
7.	Jammu & Kashmir	1	...
8.	Karnataka	64	16
9.	Kerala	5	1
10.	Madhya Pradesh	12	.
11.	Maharashtra	82	18
12.	Meghalaya	1	...
13.	Orissa	8	4
14.	Punjab	12	2
15.	Rajasthan	8	1
16.	Sikkim	1	...
17.	Tamil Nadu	78	18
18.	Uttar Pradesh	32	7

1	2	3
19. West Bengal	22	6
20. Chandigarh	3	2
21. Delhi	36	1
22. Goa Daman & Diu	12	3
23. Pondicherry	11	1
Totals	608	100

Rising price of raw silk

3698. SHRI NARSING SURYAWANSHI: Will the Minister of TEXTILES be pleased to state:

(a) the measures taken so far by Union Government to check the rising price of raw silk;

(b) whether the import of raw silk from China will be helpful in stabilising raw silk price in the country;

(c) if so, to what extent; and

(d) if not, the reasons for importing the raw silk from China?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) to (d). Certain leading silk-producing States have reported a original decrease in silk production due to drought conditions. Further, there have reportedly been some policy changes in China due to which their exportable quantity of raw silk has come down. On the otherhand, the demand for silk both for indigenous consumption and for exports is on the increase in the country. All these factors have led to a rise in prices of silk. In order to provide relief to the silk weaving industry, Government has allowed the Central Silk Board to import 100 tonnes of raw silk from China, during the current year. This is expected to have a salutary effect on prices. As a long term measure, a National Sericulture project has been formulated by the Central Silk Board in collaboration with State Governments

for increasing silk production in the country. The project is proposed to be implemented with the World Bank assistance. The Union Government has also advised major silk-producing States to formulate long-term strategies to step-up their Silk production.

Pay scales of Caretakers

3699. SHRI RAMESHWAR NEEKHRA: Will the Minister of FINANCE be pleased to state:

(a) whether the Fourth Pay Commission has not recommended any pay scales for the post of caretaker in different Ministries;

(b) whether different Ministries are giving different scales to their caretakers; and

(c) if so, the reasons therefor and the steps proposed to be taken to remove the disparity?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) to (c). The revised pay scales recommended by the Fourth Central Pay Commission in Chapter 8 of their report apply to all posts other than those for which specific recommendations have been made by the Commission in Chapters 9, 10, 11 and 27 of their report. The Commission did not make any specific recommendation in regard to the revised pay scales of caretakers in different

Ministries. Therefore, the scales recommended by the Commission in Chapter 8 and as notified by Govt. in Part-A of the First Schedule to the CCS (RP) Rules, 1986 apply to caretakers wherever existing in different Ministries. No disparity in regard to the pay scales of caretakers has been brought to the notice of this Ministry after the submission of the Fourth Central Pay Commission's report.

Foreign exchange transactions by Foreign Missionaries

3700. SHRI BHADRESWAR TANTI: Will the Minister of FINANCE be pleased to state:

(a) whether any irregular foreign exchange transactions were made by any foreign missionaries in different parts of the country in the last three years; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) Does not arise.

[Translation]

Survey of Ground Water

3701. SHRI K. D. SULTANPURI: Will the Minister of WATER RESOURCES be pleased to state:

(a) the names of the States where survey in regard to ground water has been conducted by Government; and

(b) the amount allocated by Planning Commission to hill States and the State-wise details thereof;

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Central Ground Water Board have carried out hydrogeological surveys in an area of 24.19 lakh sq. km. in the country, covering part or whole of all the States.

(b) Details of VII Plan outlays for hill States for minor irrigation including ground water are given in the Statement.

STATEMENT

Sl. No.	Name of States	Outlay for Minor Irrigation (Rs. in Crores)
1.	Himachal Pradesh	54
2.	Jammu & Kashmir	42
3.	Manipur	10
4.	Meghalaya	9.70
5.	Nagaland	15
6.	Tripura	15
7.	Sikkim	10
8.	Arunachal Pradesh	23
9.	Mizoram	7
Grand Total		185.70

Irrigation projects of M.P.

3702. SHRI KAMMODILAL JATAV: Will the Minister of WATER RESOURCES be pleased to state:

(a) the names of the irrigation projects sanctioned in Madhya Pradesh since 1985 till date and their locations;

(b) whether Kuno Project of Morena District of Chambal Division is also included therein; and

(c) if not, the reasons therefor and the time by which it would be cleared?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Mahi Irrigation Project (Jhabhua and Dhar Districts) and Jobat Irrigation Project (Dhar district).

(b) and (c). Kuno Project has not been received from the State Government.

Internal Debt

3703. SHRI RAM PUJAN PATEL
SHRI JITENDRA PRASADA:

Will the Minister of FINANCE be pleased to state:

(a) the internal debt liability of India;

(b) whether re-payment of this loan will have an adverse effect on the economy of the country; and

(c) the action being taken by Government to maintain the economic balance?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) The total internal public debt of the Central Government is estimated at Rs. 99520 crores at the end of 1987-88.

(b) and (c). No, Sir. The borrowed funds are by and large used for financing developmental expenditure. This promotes economic growth and with it the capacity

to repay is enhanced. The borrowings are within the overall parameters of the Government's economic policy.

Survey of Floods

3704. DR. CHANDRA SHEKHAR
TRIPATHI:
SHRIMATI MADHUREE SINGH:

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether more areas have been affected by floods at present as compared to the past;

(b) if so, whether the Flood Commission has conducted any survey in this regard;

(c) if so, the State-wise area affected by floods as per the report of the survey;

(d) whether Government propose to take any concrete steps to control increasing floods; and

(e) if so, the details thereof and the time by which these will be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (c). Rashtriya Barh Ayog set up by the Government of India in 1976 has assessed, in their report of 1980, the area liable to floods as about 34 million hectares with its Statewise break-up as in the Statement below. The flood management works constructed give reasonable protection against the floods for which they have been designed. For floods higher than this, the works are likely to fail either partially or fully in certain reaches, flooding the areas which used to be flooded earlier in absence of the works carried out.

(d) and (e). It is the responsibility of the concerned State Governments themselves to plan and execute the flood management works as per the availability of the financial resources and *inter-se* priorities.

In the wake of the severe floods of 1987, the Government of India set up two

Committees in November 1987, one for the States of UP, Bihar, West Bengal and Orissa and another for the States in the North-east region, to study the problems of floods and to suggest suitable strategies to

give long-term protection to the areas prone to floods. The Committees were asked to submit their reports within 6 months.

STATEMENT

Area prone to floods

S. No.	State	Area prone to floods as per RBA
1	2	3
1.	Andhra Pradesh	1.39
2.	Arunachal Pradesh	0.006
3.	Assam	3.15
4.	Bihar	4.26
5.	Gujarat	1.39
6.	Goa	Nil
7.	Haryana	2.35
8.	Himachal Pradesh	0.23
9.	Jammu & Kashmir	0.08
10.	Karnataka	0.02
11.	Kerala	0.87
12.	Madhya Pradesh	0.26
13.	Maharashtra	0.23
14.	Manipur	0.08
15.	Meghalaya	0.02
16.	Mizoram	Nil
17.	Nagaland	Neg.
18.	Orissa	1.40
19.	Punjab	3.70
20.	Rajasthan	3.26
21.	Sikkim	Neg.

1	2	3
22.	Tamil Nadu	0.45
23.	Tripura	0.33
24.	Uttar Pradesh	7.34
25.	West Bengal	2.65
26.	Union Territories	0.06
Total:--		33.52
Say		34 M.ha.

[English]

Construction of sea-walls of Karnataka

3705. SHRI G. DEVARAYA NAIK: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Union Government have received proposals from Karnataka Government regarding construction of sea-wall to prevent sea erosion;

(b) if so, the details therefor and the action taken in this regard; and

(c) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (c). Yes, Sir. The Government of Karnataka prepared an outline Master Plan for anti sea erosion works estimated to cost Rs. 150 crores envisaging protection to 72.5 Km. of sea coast in Uttar and Dakshin Kannada Districts and sought special central assistance. Flood management works including anti-erosion works are to be planned and implemented by the State Governments as per the availability of resources and priorities. Therefore, the State Government was advised to get the proposals approved by the State Technical Advisory Committee (Floods) and Beach Erosion Board and then phase them suitably for investment decision.

Memorandum to stop import of raw silk

3706. SHRIMATI BASAVARAJESWARI: Will the Minister of TEXTILES be pleased to state:

(a) whether the Karnataka Silk Association had submitted a Memorandum on 20 February, 1988 urging Union Government to immediately stop the import of raw silk as it would adversely affect silk producers in the country;

(b) if so, the main points referred to in the memorandum; and

(c) to what extent their demand has been accepted?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b). Yes, Sir. In support of their plea to stop the import of raw silk, the Association has expressed that the rearers of Karnataka and other states are in a position to meet the entire demand for silk in the country and that continued import of raw silk by exporters will adversely affect the indigenous silk industry.

(c) The import of silk is allowed only for or against exports and import of silk for indigenous consumption is not generally encouraged to protect the indigenous industry. However, the demand for silk both for indigenous as well as export production is increasing so rapidly that

indigenous production is able to meet only about 80% of the total demand.

Steps to revive capital market

3707. SHRI C. MADHAV REDDI: Will the Minister of FINANCE be pleased to state:

(a) the steps taken by Government so far to revive the capital market;

(b) whether Government have received any proposals for making the enlistment compulsory for all the companies; and

(c) if so, the reaction of Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The development of the Capital market is a continuous process. Some of the important steps taken by the Government in this regard are briefly indicated below:

(i) The Budget for 1988-89 contains positive measures for long-term growth for capital markets, which include:

(a) Concession now available for direct investment in equity shares of new industrial undertakings will also be available for investment in special units of mutual funds where the resources are earmarked for investment in new projects;

(b) Proposal to provide an exclusive exemption upto Rs 3000 for income from dividends under Section 80L of the Income Tax Act, which will be in addition to the existing concessions available under Section 80L.

(c) A scheme under which approved venture capital companies/funds will be enabled to invest in new companies and be eligible for the concessional treatment of capital gains available to non-corporate entities.

(ii) Government have decided to set up a separate Board for the regulation and orderly functioning of the stock exchanges and the securities industry.

(iii) Mutual Funds are allowed to be established by the State Bank of India and Canara Bank. These Funds would provide valuable investment services to the public.

(iv) The Securities Contracts (Regulation) Rules were amended in 1987 to enable corporate entities to become members of stock exchange.

(v) Electronic linkages of major stock exchanges were established for instant dissemination of share prices.

(vi) In the Budget for 1987-88, exemption under Section 80CC of the Income Tax Act for investment in new issues was extended for another 3 years. The holding period for availing exemption was also reduced from 5 years to 3 years.

(vii) The holding period for long-term capital gains was reduced from 3 years to 1 year.

(viii) Listing guidelines were amended in February 1988 suitably to increase the minimum issued capital to

above Rs. 100 lakhs and public offer to Rs. 60 lakhs to make the company eligible for listing on a stock exchange.

- (ix) For improving investors' protection, stringent conditions have been imposed on companies to ensure expeditious despatch of allotment letters/certificates and refund orders.

(b) and (c). The Department of Company Affairs have introduced a Bill for the amendment of the Companies Act, 1956 in the Rajya Sabha on 31.8.1987. Clause 10 of the Bill seeks to amend Section 73 of the Act to provide, *inter alia*, that "every company, intending to offer shares or debentures to public for subscription by the issue of a prospectus shall, before such issue, make an application to one or more recognised stock exchanges for permission for the shares or debentures intending to be so offered to be dealt within the stock exchange or each such stock exchange."

Guidelines for Sanctioning loans by Public Sector Banks

3708. SHRI H.M. PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether Government had issued guidelines for sanctioning loans by public sector banks vide circular No. 266/84 dated 6 June, 1984;

(b) if so, the details of these guidelines;

(c) whether there is any difference between the Differential Rate of Interest Scheme and the guidelines referred to in part (a) above;

(d) if so, the details of the difference;

(e) whether the bank branches are required to submit returns (DRI returns) in a special form to divisional offices for every quarter; and

(f) if so, the quarterly details of the loans

given by the bank branches in Karnataka in 1986?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). Reserve Bank of India has reported that in the absence of complete reference of the circular and its subject matter, it has not been possible to know which guidelines are referred to by the Hon'ble Member.

(e) and (f). Reserve Bank of India have instructed the banks to furnish data relating to Differential Rate of Interest (DRI) advances in the prescribed proforma on a quarterly basis. RBI have further reported that the present data reporting system does not generate the bank-wise information for each State. The data relating to performance of Public Sector Banks under DRI Scheme in the State of Karnataka for the quarter ended June, 1986 is furnished below:—

No. of Accounts	Balance outstanding (Rs. in crores)
435261	55.96

[Translation]

Dr. Rangarajan Committee Report on Gold Policy

3709. SHRI DILEEP SINGH BHURIA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received the report of Dr. Rangarajan Committee in regard to gold policy; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) Does not arise.

[English]

Transfer of Pension Payments by Banks

3710. SHRI P. R. KUMARAMANGALAM: Will the Minister of FINANCE be pleased to state:

(a) whether a large number of pensioners are facing difficulties on account of their movement from one city or State to another; and

(b) whether Government propose to authorise banks to transfer such pension payments to help pensioners?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) No, Sir.

(b) There is no move to authorise direct transfer of pension payment authorities between the banks except to the extent already envisaged under the Scheme of Payment of Pension to Central Government Civil pensioners by Public Sector Banks.

Value of Rupee vis-a-vis Foreign Currencies

3711. DR. D. N. REDDY: Will the Minister of FINANCE be pleased to state how the value of rupee has fallen in relation to dollar, sterling and yen as on 1 January, 1960, 1970, 1980 and 1987?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): The value of rupee in relation to US dollar, Sterling and Yen on these dates is indicated below:

(Rupee equivalent per unit of foreign currency)

Date	US dollar	Stg. Pound	Yen
1.1.60	4.7619	13.33	0.013
1.1.70	7.5000	18.00	0.021
1.1.80	8.0434	17.80	0.0334
1.1.87	13.0523	19.35	0.0825

Monitoring of engineering exporters

3712. SHRI BALASAHEB VIKHE PATIL: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have taken any steps to monitor the export plans of some of the big engineering exporters; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) Yes, Sir.

(b) Steps have been taken to hold detailed interaction with individual

companies on a continuing basis regarding their plans for export.

Ratio of wages for highest and lowest classes

3713. SHRI K. RAMACHANDRA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the ratio of wages for the lowest and highest paid government employees which was 1.6 at the time of independence has increased to 1.12 in recent years;

(b) if so, the reasons therefor; and

(c) the remedial steps contemplated in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) No, Sir, the ratio was 1:54:5 at the time of independence. It has been decreased to 1:12 in recent years.

(b) and (c). Do not arise.

Financial assistance by IDBI to industrial unit in Orissa

3714. SHRI LAKSHMAN MALICK: Will the Minister of FINANCE be pleased to state:

(a) whether there has been increase in financial assistance given by the Industrial Development Bank of India to the industrial units in Orissa between 1982 and 1987;

(b) if so, the details thereof; and

(c) further plan under consideration regarding setting up of offices of IDBI in the State in view of the needs of pharmaceutical units and high voltage electrical equipment manufacturers in the SSI sector?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The Industrial Development Bank of India (IDBI) has reported that the financial assistance disbursed by all India financial institutions to industrial units in Orissa from 1982 to 1987 was as follows:

(Rs. crores)

Year	Disbursements
1982-83	75.11
1983-84	81.45
1984-85	84.05
1985-86	141.58
1986-87	148.32

(c) A Branch Office, headed by Deputy General Manager of IDBI is already functioning at Bhubaneswar. IDBI has also sanctioned assistance of Rs. 40 lakhs for a Quality Testing Centre, Bhubaneswar for the purpose of providing testing facilities to drugs and pharmaceutical units as well as to high voltage electrical product manufacturing units in the SSI sector.

[Translation]

Assistance for agro-based industries in Haryana

3715. SHRI BALWANT SINGH RAMOOWALIA: Will the Minister of FINANCE be pleased to state:

(a) whether Haryana Government has sought financial assistance from the Reserve Bank of India and the National Cooperative Development Corporation in order to achieve success in setting up agro-based industries in the State under HAFED;

(b) if so, the facts in this regard; and

(c) the action taken so far by Union Government in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank of India has reported that they have not received any proposal from Haryana Government in this regard. National Cooperative Development Corporation (NCDC) has also reported that the Haryana Government has not sought financial assistance from the Corporation in respect of Foodgrain Processing Industries in the recent past. However, in the past NCDC had sanctioned financial assistance for setting up of two oil mills and one feed-mix unit, under HAFED. All the units are reportedly in operation.

[English]

Production of Janata Cloth

3716. SHRI TARIQ ANWAR: Will the Minister of TEXTILES be pleased to state:

(a) whether Union Government propose to give more subsidy to Janata Cloth;

(b) if so, what will be the amount of subsidy;

(c) the total quantity of Janata Cloth produced during 1984-85, 1985-86 and 1986-87; and

(d) the names of the States which have implemented the scheme satisfactorily?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b). Yes, Sir. The Government has decided to increase the rate of subsidy on Janata Cloth from Rs. 2.00 per square metre to Rs. 2.75 per square metre.

(c) The total quantity of Janata Cloth produced in the country during the last 3 years is as under:--

Year	Quantity (in million sq. metres)
1984-85	356.77
1985-86	398.12
1986-87	482.10

(d) The following States have achieved the targets:

- (i) Andhra Pradesh
- (ii) Assam

(iii) Karnataka

(iv) Maharashtra

(v) Orissa

(vi) Tamil Nadu

(vii) Uttar Pradesh

(viii) West Bengal

CWC Criteria and World Bank Assistance for Irrigation Projects to Andhra Pradesh

3717. SHRI M. RAGHUMA REDDY:
SHRI MANIK REDDY:
SHRI T. BALA GOUD:

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether any criteria has been laid down for the clearance of irrigation projects by the Central Water Commission and for World Bank grants; and

(b) if so, the details therefor and the names of projects in Andhra Pradesh for which grants have been given by the World Bank?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) Yes, Sir.

(b) The broad guidelines for selection of irrigation projects for World Bank assistance and list of irrigation projects in Andhra Pradesh which have received World Bank assistance, are given in the statement below.

STATEMENT

(a) Broad guidelines for selection of irrigation projects for World Bank Assistance:

- (i) The projects are in line with plan priorities with the objective of raising productivity, generating employment and benefitting poorer sections;
- (ii) Projects located in drought prone and tribal areas;
- (iii) Ongoing projects capable of producing full or partial benefits;

(iv) Projects which are techno-economically viable;

(v) The projects are cleared from environmental and forest angle.

(vi) The projects are cleared by the State Planning and Finance Department and adequate funds have been provided.

(b) List of Projects which have received World Bank assistance in Andhra Pradesh.

	Name of the project/ Credit	Total Assistance US \$ Million	Remarks
1.	Pochampad Irrigation Project (Cr. 268-IN)	39.0	Closed
2.	Godavari Barrage Project (Cr. 532-IN)	45.0	Closed
3.	Andhra Pradesh Irrigation and CAD Project (Cr. 1251-IN)	145.0	Closed
4.	Andhra Pradesh Composite Irrigation II Project (Cr. 1665-IN) (Ln. 2662-IN)	140.0 131.0	Has become effective from 10/87-

Loan From Japan

3718. SHRI MADAN PANDEY:
SHRI S.G. GHOLAP:
SHRI DHARAM PAL SINGH
MALIK:
SHRI SUBHASH YADAV:
SHRI BALASAHEB VIKHE
PATIL:

Will the Minister of FINANCE be pleased to state:

(a) Whether Government have entered into an agreement for taking loans from the Export-Import Bank of Japan;

(b) if so, the total amount and the terms and conditions thereof; and

(c) the projects on which these loan is proposed to be utilised?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) National Thermal

Power Corporation (NTPC) and the Indian Railway Finance Corporation (IRFC) have proposed to enter into agreements for taking loans from the Export Import Bank of Japan.

(b) The total amount is expected to be about Rs. 728 crores for both the above Corporations. While the terms and conditions in respect of the loan to IRFC are not yet finalised, the loan to NTPC will be for a total period of 19 ½ years at a fixed interest rate of 5.3% p.a. The repayment of the loan will be spread over a period of 15 ½ years after an initial period of about 2 ½ years for completing disbursements and initial grace period of 1 ½ years.

(c) NTPC will utilise the amounts for financing a portion of the requirement for three power projects, viz. Rihand Transmission Line Project, Ramagundam Super Thermal Power Project (Stage II) and Farakka Power Project (Stage III).

Bank Robberies in Punjab and Rajasthan

3719. SHRI VIRDHI CHANDER JAIN:
Will the Minister of FINANCE be pleased to state:

(a) the number of bank robberies which took place during the last three years and the current year (till date) in Punjab and Rajasthan;

(b) the amount recovered; and

(c) the number of culprits arrested and convicted?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Available information in respect of bank robberies/dacoities which took place in Punjab and Rajasthan during the years 1985, 1986, 1987 and 1988 (upto 10.3.88) and amount recovered is given below:

Punjab

	No. of dacoities/ robberies	Amount recovered (Rs. in lakhs)
1985	10	3.04
1986	43	0.21
1987	26	94.47
1988 (upto 10.3.88)	4	Nil
(Data provisional)		

Rajasthan

1985	2	1.40
1986	Nil	Nil
1987	1	1.88
1988 (upto 10.3.88) (Data provisional)	Nil	Nil

As per available information 65 persons have been arrested/convicted in connection with these dacoities/robberies.

Quality of Tea Exported

3720. DR. PHULRENU GUHA : Will the Minister of COMMERCE be pleased to state:

(a) the quality of the exported to various countries during 1987; and

(b) the value thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) The Tea exported to various countries during 1987 consisted mainly of Orthodox and CTC varieties.

(b) The value earned during 1987 is Rs. 638 crores.

World Bank Suggestions on FERA Regulations

3721. SHRI THAMPAN THOMAS : Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has made a suggestion to Government to remove FERA regulations governing foreign collaborations in the case of electronic sector;

(b) if so, the details of the World Bank proposal;

(c) whether Government have considered the Bank's proposal; and

(d) if so, the since when Government propose to remove FERA regulations governing foreign collaborations?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) No. Sir.

(b) to (d). Do not arise.

Review of Credit Limits by Public Sector Banks

3722. SHRI K. RAMAMURTHY : Will the Minister of FINANCE be pleased to state:

(a) the steps taken to improve the position relating to review and renewal of credit limits by public sector banks, as has been commented upon by the Reserve Bank of India in its Annual Report for 1986-87;

(b) the steps taken by banks to complete inspection and audit of branches and to bring up-to-date the reconciliation of interbranch accounts as has been remarked by the Reserve Bank of India in its Annual Report for 1986-87; and

(c) the steps that have been taken by banks to recover the increasing overdues in both priority and non-priority sectors?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI ED-

UARDO FALEIRO): (a) The public sector banks have been advised to periodically review the credit limits of their borrowal accounts and to ensure that as far as possible operations in accounts may not be continued on the basis of lapsed limits. The banks have geared up to their machinery for the implementation of instructions given by Reserve Bank of India and the progress in this regard of public sector banks is monitored by their Board of Directors.

(b) The banks have drawn up action plans to complete inspection and audit of all branches and also for the reconciliation of inter-branch accounts. The progress in this regard is also being monitored by Reserve Bank of India and the Board of Directors of respective public sector banks.

(c) The steps taken by banks for improving their recovery performance *inter-alia* includes strengthening of pre-lending appraisal and post lending supervision, adoption of schematic approach to lending and creation of separate recovery cells. The rural branches observe one day in a week as non-banking business working day so that branch managers are able to supervise credit utilisation. With a view to reducing incidence of overdues, the banks have been advised to take strict action against the official if some account becomes sticky due to the negligence, inefficiency or suspected collusions on the part of any employee.

[Translation]

Irrigation Target of Maharashtra During the Seventh Plan

3723. SHRI VILAS MUTTEMWAR : Will the Minister of WATER RESOURCES be pleased to refer to the reply given on 9 December, 1987 to Starred Question No. 476 regarding irrigation target for Maharashtra and state:

(a) whether Government have fixed target for irrigation in the State of Maharashtra during the Seventh Five Year Plan;

(b) if so, the extent to which target has been achieved;

(c) if not, the reasons therefor;

(d) the present position of five medium and seventeen other newly started schemes in Vidarbha region and the time by which these will be completed; and

(e) the area of land likely to be irrigated by these schemes?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) to (c). The Seventh Plan target for creation of additional irrigation potential in Maharashtra is 7,45,000 ha. The anticipated achievement in the first two years of the Plan is 183,000 ha.

(d) and (e). The new schemes are understood to have been taken up during 1987-88 by the State Government and their completion depends upon the priority assigned to them for funding etc.

[English]

Small Saving Collection in Maharashtra

3724. SHRI MUKUL WASNIK :
SHRI SHARAD DIGHE :
SHRI S.G. GHOLAP :
SHRI V.N. GADGIL :
SHRIMATI USHA
CHAUDHARY :

Will the Minister of FINANCE be pleased to state:

(a) whether the modifications in the policy relating to small savings has resulted in sharp decline in small savings collections in Maharashtra and consequently in the quantum of central loan assistance;

(b) whether Union Government are aware that the loss on this account to Maharashtra during the current plan period would be Rs. 1,750 crores; and

(c) if so, the measures Government propose to take to set off this loss?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN

THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The pattern of investment by non-Government Employees Provident Funds was revised from 1.4.86 as per which these funds are not allowed to invest in Post Office Time Deposit Accounts. It is not possible to estimate short-fall in collections for current plan period in Maharashtra.

(b) and (c). Plan assumption of small savings loan for 1987-88 for Maharashtra is Rs. 400 crores. As against this, loan of Rs. 486.62 crores stands released. It is not possible to estimate short-fall in small savings loans during current plan period.

Value of Rupee

3725. SHRI AJOY BISWAS : Will the Minister of FINANCE be pleased to state the value of a rupee at present comparing the price index of 1949?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) The value of rupee measured as the reciprocal of the Consumer Price Index for Industrial Workers in January, 1988 (latest available) works out to 10.929 paise with 1949 as the base.

Study Group to Boost Textile Exports

3726. SHRI. M. V. CHANDRASHEKHARA MURTHY
SHRI BANWARI LAL
PUROHIT :

Will the Minister of TEXTILES be pleased to state:

(a) whether there is any proposal under consideration of Union Government to set up a study group to boost textile exports to non-quota countries;

(b) if so, the details thereof and the subjects likely to be taken up; and

(c) to what extent the export of textile to other countries will be boosted?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (c). Two Study

Groups—one for Garments and another for Textiles have been recently constituted in the Ministry of Textiles with a view to studying thrust non-quota markets and devising export strategies. It is too early to make an assessment of the increase in exports to non-quota markets. However, the export of cotton textiles and garments to non-quota markets have gone up from Rs. 539 crores in 1984 to Rs. 827 crores in 1987.

Irrigation Facilities by Spices Board

3727. PROF. K.V. THOMAS : Will the Minister of COMMERCE be pleased to state:

(a) whether Spices Board has sent proposals to provide irrigation facility to cardamom plantation located in the drought prone areas; and

(b) if so, the action taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) Yes, Sir.

(b) The same is under consideration.

Import Duty for Outboard Motors and Spare Parts

3728. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of FINANCE be pleased to state:

(a) the rates of import duty for outboard motors and spare parts;

(b) whether it is a fact that spare parts of these motors are treated at par with the spare parts of bigger engines in larger vessels while charging import duty; and

(c) if so, whether Government propose to rationalise the import duty for outboard motors and spare parts in view of the fact that these are used for fishing by the poor traditional fishermen?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA): (a)

Outboard motors attract basic customs duty of 45% *ad valorem* and auxiliary duty of 45% *ad valorem*, additional duty being exempted. If imported by the State Fisheries Corporation, the motors attract basic customs duty of 40% *ad valorem*, auxiliary duty of 30% *ad valorem* and additional duty of 10% *ad valorem*. Spare parts of outboard motors, as are covered by Heading No. 98.06 of Customs Tariff, attract basic customs duty of 45% *ad valorem* and auxiliary duty of 45% *ad valorem*, additional duty being exempted.

(b) Spare parts of outboard motors and spare parts of bigger engines, as are covered by Heading No. 98.06 of Customs Tariff, are subject to the same rate of duty.

(c) Representations seeking reduction of import duty on outboard motors and their spares were sent to the administrative Ministry concerned for their views and their comments on the said representation have been received recently.

Demand Draft Charges

3729. SHRI ANOOPCHAND SHAH : Will the Minister of FINANCE be pleased to state:

(a) the cost incurred for the services rendered to issue one demand draft by the nationalised banks;

(b) the average charges banks are recovering from organisations or individuals;

(c) whether there is any proposal to give concession for demand drafts when drawn in favour of Government agencies by organisations/institutions; and

(d) if not, the reasons thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The cost incurred for the services rendered to issue one demand draft by public sector banks is estimated at Rs. 16.85 on an average.

(b) Public Sector Banks are at present recovering the following service charges on

demand drafts from organisations/individuals;

For amount upto Rs. 500/-	...	...	Rs. 2/-
Above Rs. 500/- upto Rs. 1,000/-	...	...	Rs. 5/-
Above Rs. 1,000/- upto Rs. 5,000/-	...	...	Rs. 10/-
Above Rs. 5,000/- upto Rs. 10,000/-	...	...	Rs. 20/-
Above Rs. 10,000/-	...	...	Rs. 2/- per thousand or part thereof subject to maximum of Rs. 1,000/-

(c) and (d). The service charges are prescribed by the individual banks themselves with a view to cover at least partially the costs incurred by them in rendering such services to the customers. The banks do not have any proposal at present to give concession for demand drafts when drawn in favour of Government agencies by organisations/institutions.

Proposals for Joint Ventures with Soviet Union

3730. SHRI ANADI CHARAN DAS : Will the Minister of COMMERCE be pleased to state:

(a) the number of Government and private companies who have submitted proposals for joint ventures in the Soviet Union consequent upon liberal Soviet policy on foreign investments;

(b) the concessions given by the Soviet Union to foreign investors in respect of such joint ventures;

(c) the major projects/co-production projects/ventures proposed to be set up in the Soviet Union with Government and Indian private companies and the amount involved therein; and

(d) whether these projects have since been cleared by the Government of India?

THE MINISTER OF STATE IN THE MIN-

ISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) to (d). A statement is given below.

STATEMENT

(a) Only two companies viz. M/s India Tourism Development Corporation Ltd., New Delhi (a Government of India undertaking) and M/s. I.T.C. Ltd., Calcutta have submitted proposals for joint ventures in Soviet Union.

(b) As part of the restructuring of foreign economic relations, the main changes/concessions inter-alia are as under:--

- (1) Investment of foreign capital by state and private companies from Western as well as developing countries, by way of establishment of joint enterprises on Soviet territory, on shared capital basis is being allowed subject to the maximum of 49% which can be in the form of capital, equipment of technology.
- (2) Equipment, material and other property imported into the U.S.S.R. by foreign parties in a joint venture as well as their contribution to the authorised fund of the venture are exempt from custom duties.

- (3) Meaningful participation by foreign partners to run the enterprise and monitor the output would be allowed.
- (4) Foreign partner will have right to free transfer of profits and right to reinvest profit.
- (5) Economic disputes to be solved by Soviet Courts, or if agreed by the both sides, by arbitration panels.
- (6) Production plan of the joint enterprise would be decided by the partners, not by any obligatory planned assignment by Soviet authorities.
- (7) The joint venture shall be exempt from tax on their profits during the initial two years of their operations. The taxation would be @ 30% of the profits after deductions for the reserve and social development funds. However, necessary discretionary powers have been given to the U.S.S.R. Ministry of Finance to reduce the prescribed level of taxation.

(c) and (d). (i) *JOINT VENTURES* : M/s. India Tourism Development Corporation were accorded approval on 12.6.87 for setting up Indian restaurant in Moscow, with Indian equity investment of Rs. 24.00 lakh. The other proposal of M/s I.T.C. Ltd., also for setting up restaurant in Odessa is under consideration with proposed Indian equity of Rs. 29.40 lakh.

(ii) *PROJECTS* : M/s. Larsen & Tourbro Limited have been awarded a hotel project each at Samarkand (Value Rs. 3580 lakhs) and Bukhara (Rs. 3420 lakhs) M/s Tata Projects Limited has been awarded a hotel project at Tashkant (Value Rs. 4206.18 lakhs).

Promotions From Officer MMGS-II to MMGS-III in State Bank of Bikaner and Jaipur

3731. SHRI LALA RAM KEN: Will the Minister of FINANCE be pleased to state:

(a) the number of promotions made in the State Bank of Bikaner and Jaipur from Officer Grade MM-II to MM-III in June, 1987; and

(b) the number of SC/ST officer who appeared in this promotional interview and how many were selected finally?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) State Bank of Bikaner and Jaipur has reported that 234 Middle Management Grade Scale-II Officers were promoted to Middle Management Grade Scale-III in June, 1987.

(b) 5 SC/ST Officers appeared for promotional interview and one was promoted to Middle Management Grade Scale-III.

British Assistance

3732. SHRI BHATTAM SRIRAMA MURTY: Will the Minister of FINANCE be pleased to state:

(a) whether the primary education project in Andhra Pradesh will become a largest of its kind to receive support from Britain;

(b) if so, the details thereof; and

(c) whether Britain has offered assistance to coal mining sector and Thermal Power Project, if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Yes, Sir. United Kingdom has agreed in principle, to the extent of 15 million, to finance the Primary School Building Project. An amount of ₹1 million was allocated for

financing the pilot project in Andhra Pradesh which has since been completed. U.K. also agreed to allocate ₹0.630 million for financing the bridging gap programme to provide continuity till the commencement of second phase which is likely to be taken up in 1988-89.

(c) U.K. Government has been providing grant assistance for financing the import of equipment/machinery for coal mining sector in the past. The last grant agreement of ₹31 million was signed on 13 March 1987 for financing coal sector projects. Some imports/projects have already been identified and are under different stages of appraisal/approval by U.K. Government. U.K. has also offered to finance the Rihand Super Thermal Power Station Phase II. This project is under discussion by National Thermal Power Corporation (NTPC) with interested parties.

Jute Development Fund

3733. SHRI BRAJAMOHAN MOHANTY:
Will the Minister of TEXTILES be pleased to state:

(a) the names of the States which have been provided with funds for development of raw jute and the details of amount;

(b) whether the funds provided have been spent in respective States;

(c) whether the progress of investment is being reviewed by the Ministry; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (d). A Statement is given below.

STATEMENT

Government has approved the implementation of Raw Jute Development Schemes for being implemented in the States of West Bengal, Bihar, Assam, Orissa, Meghalaya, Tripura, Andhra Pradesh and Uttar Pradesh at an estimated outlay of Rs. 25.00 crore spread over a period of 3 years beginning from 1987-88. The break-up of outlay of each of the states for the first year is as follows:

(Rs. in lakhs)

State	Outlay Sanctioned 1987-88	Amount Released 1987-88
Andhra Pradesh	16.68	7.565
Assam	80.12	38.56
Bihar	85.67	41.285
Meghalaya	6.58	2.965
Orissa	42.70	20.355
Tripura	6.58	2.965
Uttar Pradesh	7.48	2.965
West Bengal	359.12	176.46
<i>All India Total</i>	<i>604.93</i>	<i>203.12</i>

Ministry of Agricultural is responsible for implementing the scheme, while funds under the Jute Special Development Fund are provided by the Ministry of Textiles. A High Level Inter-Ministerial Committee periodically reviews the progress of implementation of this scheme.

Impact of Modvat Import and Export

3734. SHRI SAMBHAJIRAO KAKADE :
CH. RAM PRAKASH :

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have assessed the impact of MODVAT of India's trade during the past six months (July-December 1987);

(b) whether it has benefitted the exporters; and

(c) if so, to what extent?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) No specific assessment of the impact of MODVAT on India's export-import trade for the period July to December, 1987 has been made.

(b) and (c). The scheme is designed to help in promoting exports and curtailing imports. The set-off of excise and customs duty on final products makes manufactured exports competitive in the international market. On the import front, MODVAT encourages the process of indigenisation.

Allocation of Fund for Irrigation Projects of Orissa

3735. DR. KRUPASINDHU BHOI :
SHRI CHINTAMANI JENA :

Will the Minister of WATER RESOURCES be pleased to state:

(a) the total fund allotted to Orissa for irrigation purposes during the Seventh Five Year Plan;

(b) the details of central assistance therefor;

(c) whether Government have allotted any fund for irrigation during 1988-89 to States; and

(d) if so, the State-wise details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) An outlay of Rs. 679 crores has been provided during the VII Plan for irrigation sector in Orissa including command area development.

(b) to (d). Irrigation projects are planned, funded and implemented by the State Governments. Central assistance is given in the form of block grants and loans and it is not tied to any sector or project. However, an additional outlay of Rs. 22 crores has been earmarked under the drought assistance for expediting the completion of certain ongoing irrigation works in drought affected areas during the plan period in Orissa. Further an advance plan assistance of Rs.1.5 crores has been provided for Mahanadi Delta Project during the year 1987-88.

Electronic Digital Display of Token Machines in Bank Branches in Bangalore

3736. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state:

(a) the total number of branches of nationalised banks in Bangalore City at the end of December, 1987;

(b) the number of branches out of them which are having electronic digital display of tokens in cash counters;

(c) whether the electronic digital display of tokens are really helping the customers; and

(d) if so, whether all the nationalised bank branches in Bangalore city are proposed to be equipped with electronic digital display of tokens machines?

THE MINISTER OF STATE IN THE DEPARTMENT ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FAIEIRO) : (a) Reserve Bank of India (RBI) has reported that as at the end of September, 1987 (latest available), 419 branches of public sector banks were functioning in Bangalore City.

(b) and (c). RBI has reported that it is not monitoring information relating to installation of electronic display of tokens in banks and it has not so far received any customer complaints relating to the functioning of such electronic devices wherever they are already installed.

(d) It is for each individual bank to take a decision whether electronic digital display of tokens should be introduced in a particular branch, as this essentially depends upon the level of business operations, the location of the branch, type of clientele etc.

Sweepers in State Bank of Bikaner and Jaipur

3737. SHRI VIJOY KUMAR YADAV :
SHRI R. P. SUMAN:

Will the Minister of FINANCE be pleased to state:

(a) total number of sweepers working in State Bank of Bikaner and Jaipur on temporary and part-time basis and period since they have been working;

(b) whether any Court decisions/settlements between trade unions and bank management were made on question of making temporary employees as permanent and part-time employees absorbed in full-time scale; if so, the details thereof;

(c) whether these decisions/settlements are implemented by the bank in connection with temporary/part-time sweepers;

(d) whether Department of Personnel and Administration has issued directives vide O.M. No. 42015/1/76-Estt. (c) dated 2.2.1977 (Broucher on Reservation for SC/ST in Services-Sixth Edition page 117) to appoint persons holding posts of sweepers, farrashes etc. as peons; and

(e) whether these instructions are properly followed by the bank, if so, number of sweepers appointed as peons since the above date?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). State Bank of Bikaner and Jaipur has reported that the total number of sweepers working in the bank on part-time basis as on 1.1.1988 is 346. The bank has also reported that there is no understanding or settlement with the union to make temporary employees permanent. There is no Court decision to make temporary employees as permanent. However, there is an understanding to consider absorption of part-time employees drawing scale wages into full scale wages subject to certain conditions on minimum service, eligibility criteria etc. This is being implemented in connection with be temporary/part-time sweepers.

(e) The information is being collected from State Bank of Bikaner and Jaipur and to the extent admissible and available will the laid on the Table of the House.

Monitoring of River Basin

3739. SHRI G.S. BASAVARAJU : Will the Minister of WATER RESOURCES be pleased to state:

(a) whether any process of quality monitoring of river basin has been started;

(b) if so, whether two hundred stations for a massive study involving twenty nine rivers have been set up; and

(c) if so, the details of the rivers on which the study is being conducted?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) Yes, Sir.

(b) and (c). The Central Water Commission under the Ministry of Water Resources is conducting water quality observations at 271 stations in 45 river basins.

Facilities to Credit Card Holders

3740. SHRI VIJAY N. PATIL : Will the Minister of FINANCE be pleased to state:

(a) the number of nationalised banks that have introduced system of credit cards;

(b) the facilities offered to credit card holders and the limit of amount offered to them, bank-wise;

(c) the benefit devised to banks in the shape of commission while offering credit cards during last two years; and

(d) how good are the recoveries when the card holder is presented with a bill at the end of the month?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FAILEIRO) : (a) to (d). The information is being collected and to the extent available will be laid on the Table of the House.

Income-tax Raids in Bombay

3741. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state:

(a) whether income tax raids in Bombay unearthed crores of rupees of black money;

(b) if so, the details of the traders and trade against which the raids were conducted;

(c) whether some more clues of their counter-parts have come to light, if so, details thereof;

(d) the names of the cities/trades where such raids will continue to be made; and

(e) the estimated black money to be unearthed by the end of 1988?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). Yes, Sir. The Income Tax Department in Bombay have conducted 1273 searches during the period 1.4.1987 to 29.2.1988. These searches resulted in the seizure of prima-facie unaccounted assets worth Rs. 37.34 crores. During the

course of these searches, Rs. 42.40 crores was admitted by the persons searched to be their undisclosed income. The major trades which were covered included inter alia building construction, financing, jewellers and exporters of ready-made garments etc.

(c) During the course of these searches, a big racket in fictitious loans has been detected which has implications of tax-evasion of other cases not covered in searches.

(d) Searches by the Income Tax Department continue to take place in all parts of the country, whenever information regarding tax evasion is received.

(e) No forecast of this can be made. However, in the current financial year upto February, 1988, the total seizure of prime facie unaccounted assets amounted to Rs. 124.45 crores. During the course of searches, the persons searched have already admitted concealment of income to the tune of Rs. 97.69 crores. During the Financial Year 1986-87, prime facie unaccounted assets seized amounted to Rs. 100.70 crores and the admitted concealment was to the tune of Rs. 36.85 crores.

Procurement of Rigs

3742. SHRI MAHENDRA SINGH : Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Union Government are assisting States for providing rigs for tapping ground water;

(b) if so, whether any proposal of Madhya Pradesh Government is also under consideration of Union Government for procurement of 12 all terrain and 12 combination types new generation rigs to be used specially by weaker sections of people in rural areas;

(c) if so, the details thereof; and

(d) the steps being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) 50% matching central assistance is being made available to the States for the purchase of drilling rigs and other equipments under a Centrally Sponsored Scheme for strengthening of State Ground Water and Surface Water Minor Irrigation Organisations.

(b) to (d). Against the request of the Government of Madhya Pradesh for provision of 12 Combination type drilling rigs, ad-hoc ways and means advance of Rs. 1.05 crores has been made available to the State Government for the purchase of Four drilling rigs including One Combination type during the current year for meeting drinking water scarcity as a part of drought assistance.

[Translation]

Pun-Pun Dargah Project of Bihar

3743. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Pun-Pun Dargah Project of Bihar was sent to Central Water Commission in 1980 for approval;

(b) whether this project has not been approved so far;

(c) whether the estimates of the project gets escalated due to delay in its approval; and

(d) the reasons for delay and the time by which this project will be cleared?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) to (d). Compliance of the comments sent by Central appraising agencies on Pun-Pun Dargah Scheme received in 1980 has not been received from the State Government.

Pending Irrigation Projects

3744. SHRI KUNWAR RAM : Will the

Minister of WATER RESOURCES be pleased to state:

(a) the number of irrigation projects which were started during the first five year plan period and still pending completion; and

(b) the time by which these will be completed?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). Four major and two medium projects which were started during the First Five Year Plan have spilled over into the Seventh Plan. All the major projects and one medium project have been provided with outlays equivalent to their spillover costs as assessed at the commencement of the Seventh Plan, with a view to completing them during the Plan.

[English]

Opening of Nationalised Banks Branches

3745. SHRI GURUDAS KAMAT :
CH. RAM PARKASH :

Will the Minister of FINANCE be pleased to state:

(a) whether Government have a proposal to open new branches of nationalised banks in the country;

(b) if so, the number of such new branches proposed to be opened in different States during the financial year, 1988-89, bank-wise;

(c) the number of branches proposed to be opened in rural areas of Haryana; and

(d) the number of branches of those banks opened in different States as on 30 June, 1987?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Opening of branches by commercial banks is an ongoing process. Reserve Bank of India (RBI)

has allotted upto 31.12.1987, 5365 centres conforming to the norms laid down in the current Branch Licensing Policy to commercial banks and regional rural banks. Out of these 5365 centres, banks have opened 1292 branches in different States of the country upto 31.12.1987. RBI has advised the banks that branches at the allotted centres should be opened in a phased manner during the remaining period of the current Policy. Annual targets for opening branches have not been prescribed. As such, it would not be possible at this stage to indicate the number of new branches that will

be opened by banks during 1988-89 in different States.

(c) RBI has allotted upto 29.2.1988, 123 rural centres to the public sector banks and regional rural banks in the State of Haryana. Out of these 123 rural centres, banks have reported to have opened their branches at 89 centres.

(d) State-wise details available regarding number of branches opened by the banks during 1987 are set out in statement below.

STATEMENT

Statement showing State-wise details of branches opened by commercial banks in the country during the year 1987

Name of State/ Union Territory	No. of branches
1	2
Andhra Pradesh	114
Assam	27
Bihar	29
Goa	2
Gujarat	22
Haryana	77
Himachal Pradesh	54
Karnataka	62
Kerala	34
Madhya Pradesh	103
Maharashtra	95
Meghalaya	1
Orissa	44
Punjab	39
Rajasthan	75

1	2
Tamil Nadu	61
Tripura	2
Uttar Pradesh	280
West Bengal	88
Andaman & Nicobar Islands	1
Delhi	2
Total:--	1212

National Information System for Water Resources

3746. DR. T. KALPANA DEVI : Will the Minister of WATER RESOURCES be pleased to state:

(a) the steps being taken by Government to have a well developed National Information System for water resources planning in the country; and

(b) the data as regards water availability, actual water use and future demands for various purposes by 2000 AD?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) The National Water Policy places emphasises on a well-developed standardised national information system for resource planning. The State Governments have been asked to initiate action in this direction. The Central Water Commission is scientifically collecting and storing data observed at key hydrological sites in different river basins. The Central Ground Water Board is maintaining a network of ground water observation stations to keep a close watch on ground water situation in various parts of the country.

(b) The utilisable water resources comprise about 70 m. ha. metres of surface water and 42 m. ha. metres of ground water. Information regarding water use for various purposes is maintained by States and other agencies and is not centrally available. The

requirement of water for various purposes by 2000 AD is roughly assessed at 75 m. ha. metres.

Loans for setting up of Cottage and Small Scale Industries under Self Employment Scheme

3747. SHRIMATI USHA CHOUDHARY: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to direct nationalised banks and other financial institutions to advance loans for setting up of cottage and small scale industries other than atta chakki etc. to rural unemployed youth under self employment scheme;

(b) if so, the details thereof; and

(c) if not, the other steps Government propose to take in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Under the existing Self-Employment Scheme for Educated Unemployed Youth (SEEU) financial assistance upto Rs. 35,000/- for industrial ventures, Rs. 25,000/- for service ventures and Rs. 15,000/- for business ventures is provided. Within these ceiling limits, technically feasible and financially viable projects as identified for the selected beneficiaries by DIC Task Force based on local requirements, skill and available resources

in the area, are given loans under the scheme to eligible unemployed youths including those residing in the rural areas.

Evasion of Excise Duty

3749. SHRI V.S. VIJAYARAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) the total amount involved in excise duty evasion as at present;

(b) the names of companies against whom proceedings have been initiated;

(c) the amount realised therefrom so far;

(d) the outstanding amount; and

(e) the steps being taken to realise the arrears?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA): (a) to (e). The detailed answer as asked for would be voluminous. However information as far as possible are being collected and will be laid on the table of House.

Benefit of Excise Duty Concessions to Consumers

3750. SHRI K. KUNJAMBU: Will the Minister of FINANCE be pleased to state:

(a) whether Government have made any study to find out whether the benefits of concessions given in excise duty are passed on to the consumers;

(b) if so, the findings thereof;

(c) whether Government have any machinery to ensure that the benefits are passed on to the consumers;

(d) whether any action has been taken against the defaulters in this regard; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (e). Excise duty exemptions are given for achieving different objectives like reducing input costs, protecting the small-scale sector, promotion of exports, etc. It is expected that some of these concessions should result in reduced prices to the consumers. However, Government does not enforce price control on most manufactured products. Market prices are generally determined by a multiplicity of factors. Reports received after the budget indicate that there has been reduction in prices of some of the commodities on which excise duties have been reduced.

While there is no legal mechanism, except in cases where there is a price control, to see that concessions in excise duty are passed on to the consumers by the industry, the administrative Ministries hold regular dialogue with the concerned industry with a view to persuade them to reduce prices, where the excise duty concessions are granted in order to bring down the prices.

Excise Duty hit Powerlooms

3751. SHRI Y. S. MAHAJAN: Will the Minister of TEXTILES be pleased to refer to the news item in the Economic Times dated 17th December, 1987 under the heading "Powerlooms processors hit by excise duty norms" and state:

(a) whether Government are aware that thousands of powerloom weavers and independent processors in Maharashtra, Gujarat, Punjab and U.P. have already stopped production and many more are on the verge of closure;

(b) whether it is a fact that process of closure has accelerated since the revised notification on December 9, 1987 thereby raising the duties on synthetic fibres and fabrics on one hand and demanding recession on the other hand; and

(c) whether Government are considering certain suggestion to reduce the excise duty on hand made fibres, to give relief to

powerloom weavers and independent processors?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) to (c). Government are aware that many powerloom weavers and independent processors were adversely affected by the changes in excise duty in November and December 1987. Their difficulties have been removed by subsequent changes in January, 1988.

Loans for Purchase of Buses

3752. SHRI PRAKASH CHANDRA: Will the Minister of FINANCE be pleased to state:

(a) whether the nationalised banks are providing financial help to the persons belonging to weaker sections of the society to purchase buses to attach with the Delhi Transport Corporation;

(b) if so, the details of financial help provided by the banks located in Delhi during the last one year and under what scheme;

(c) whether Government/Reserve Bank of India have recently issued instructions to the banks located in Delhi not to provide financial assistance for purchase of buses; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) It is reported that 18 buses of weaker sections financed by public sector banks, were attached to Delhi Transport Corporation during 1987. The banks have financed these buses under Transport Operators Scheme under Priority Sector, charging concessional rate of interest (12.5 per cent upto 2 vehicles and 15 per cent for more than 2 vehicles).

(c) Reserve Bank of India has reported that it has not issued any such instructions.

(d) Does not arise.

[Translation]

Setting up of Textile Mills in U.P.

3753. SHRI AKHTAR HASAN: Will the Minister of TEXTILES be pleased to state:

(a) the number of cotton yarn mills/ textile mills set up in U.P. since 1980 and the location thereof;

(b) the names of the places where such mills are proposed to be set up in U.P. in the year 1988;

(c) whether there is any scheme under consideration to set up any such mills at Nahtor, District Bijnore which is a major textile producing (mainly Khadi) area; and

(d) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) A Statement is given below.

(b) to (d). The location of State sector/Cooperative textile mills is proposed by the State Government concerned.

STATEMENT

No. of cotton/man-made fibre textile mills set up in Uttar Pradesh since 1980 and their district-wise location.

Location (District)	No. of Cotton/man-made fibre spg./wvg. units
1	2
Sitapur	1
Farukhabad	1
Allahabad	2
Muradabad	1
Fatehpur	1
Gazipur	1
Bareilly	1

1	2
Bijnor	1
Nainital (Ramnagar)	1
Jaunpur	1
Banda	1
Ballia	1
Naini (Allahabad)	1
Bulandshahr	1

[English]

Agricultural Prices and Costs Commission

3754. SHRI SATYENDRA NARAYAN SINHA: Will the Minister of FINANCE be pleased to state:

(a) whether on January 30, 1988 a group of Members of Parliament had represented to the Finance Minister about farmers having to pay proportionately more for their inputs from industry while they themselves have been getting proportionately lower prices for their produce, as reported in the Hindustan Times of February 2, 1988;

(b) if so, the Government's views on their demands;

(c) whether Government will set up the proposed Agricultural Prices and Costs Commission; and

(d) if so, when and what would be its composition?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Yes, Sir. In their meeting with the Finance Minister on January 30, 1988 the Group of Members of Parliament had, *inter alia*, suggested that there should be parity of prices between agricultural and non-agricultural commodi-

ties. A Commission for Agricultural Costs and Prices (CACP) is already in existence. Government has also amended the terms of reference of the CACP in 1980. Under the revised terms of reference, the Commission has been asked to take into account, *inter alia*, changes in the terms of trade between agricultural sector and the non-agricultural sector.

(d) The CACP consists of a Chairman, a Member-Secretary, two official members and three non-official members of whom one member will be on full time basis for a period of one year, by rotation.

Import of Medium Staple Cotton

3755. SHRI SHARAD DIGHE:
SHRI RADHAKANTA DIGAL:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that in view of the steep rise in cotton prices during the current season so far Government are contemplating import of medium staple cotton; and

(b) if so, to what extent?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) While Government have not taken any decision to import cotton, such imports cannot be ruled out in the future.

(b) Does not arise.

Action Plan for Leather Industry

3756. SHRI P.M. SAYEED:
SHRI C.K. KUPPUSWAMY:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government are preparing an action plan for leather industry for the next ten years;

(b) if so, the main points to be covered therein;

(c) the foreign exchange earned during the last three years, year-wise by exporting leather goods both finished goods and semi-processed leather; and

(d) the targets fixed for current financial year and the next year?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) and (b). Council for Leather Exports has undertaken preparation of a long term action plan for augmenting exports of leather and leather products.

(c) Details of f.o.b. value of exports of leather and leather products during the last three years, according to Council for Leather Exports, are as under:--

		(Rs. Crores)
1984-85	1985-86	1986-87 (Provisional)
583.74	662.51	930.77

(d) The export target fixed for the current financial year is Rs. 1000/- crores. For the year 1988-89, Council of Leather Exports has proposed a target of Rs. 1350/ crores.

Construction of Inchampalli Project of A.P.

3757. SHRI G. BHOOPATHY: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government are contemplating construction of Inchampalli Project in Andhra Pradesh by treating it as a national project; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) No, Sir.

(b) Does not arise.

[Translation]

Stock Depository Trust

3758. SHRI SHANTI DHARIWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received any proposal regarding the formation of a "Stock Depository Trust" from Calcutta Stock Exchange;

(b) if so, whether Government are examining the said proposal sent by the brokers of Calcutta Stock Exchange; and

(c) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) and (c). Does not arise.

[English]

Hire Purchase Financial Companies

3759. SHRI HAFIZ MOHD. SIDDIQ: SHRI JITENDRA PRASADA:

Will the Minister of FINANCE be pleased to state:

(a) whether hire purchase financial companies finance purchase of television sets, refrigerators, motor cars, trucks etc. at flat rate of interest;

(b) whether the actual rate of interest charged by these companies comes out to be about double the rate of interest which these companies claim to charge;

(c) whether the nationalised banks also finance purchase of consumer durables at 16.5 per cent interest on reducing balance;

(d) if so, the steps proposed to be taken by Government to popularise nationalised banks lending programmes for consumer durables; and

(e) the other steps proposed to be taken by Government to check unethical practices of the hire purchase financial companies?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Reserve Bank of India has reported that as per information available with it, the hire purchase companies are found to be extending finance for acquisition of commercial vehicles including trucks, buses, taxis, private cars, scooters etc. and other durable consumer goods such as television sets and refrigerators etc. These companies reportedly charge interest on original amount of advances at flat rates ranging between 11.6 per cent and 24 per cent per annum.

In terms of Non-Banking Financial Companies (Reserve Bank) Directions, 1977, as amended from time to time, issued by the Reserve Bank of India, a "Hire-Purchase Company means any company which is a financial institution carrying on as its principal business, hire-purchase transactions or the financing of such transactions". These directions seek to regulate the quantum of deposits to be accepted by these companies, the rate of interest to be paid by the companies on such deposits, the period for which the deposits can be accepted etc. The Hire Purchase companies are also required to maintain a minimum percentage of liquid assets by keeping at least ten per cent of their deposits in an account with a scheduled bank or in approved securities. These directions do not regulate their hire purchase transactions and the interest charged on the finance extended by them on such transactions.

(c) to (e). The banks finance purchase of consumer durables under their general lending policy. Nationalised banks have also introduced certain innovative schemes such as credit cards etc. for helping/financing of the purchase of consumer durables. These are given wide publicity by the Banks. It is for the prospective borrowers to weigh the various factors before selecting the particular institution from which

they require the finances. Since the interest rates and lendings by the Hire-Purchase Companies are not regulated by Reserve Bank of India, it is not possible for Reserve Bank of India to ask the Hire-Purchase Companies to reduce their interest rates.

Finance Corporation to provide Loans for Tapping Sub-Soil Water

3760. SHRIMATI D. K. THARA DEVI SIDDHARTHA: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government propose to set up an All India Finance Corporation to provide loans exclusively for tapping sub-soil water for irrigation and drinking purposes; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). No proposal is under consideration now to set up an All India Finance Corporation to provide loans exclusively for tapping sub-soil water for irrigation and drinking purposes.

Seizure of Smuggled Gold

3761. SHRI MOHD. MAHFOOZ ALI KHAN

SHRI RANJITSINGH GAEKWAD:
SHRIMATI D. K. BHANDARI:

Will the Minister of FINANCE be pleased to state:

(a) the estimated value (with quantity) of smuggled gold seized at various points in the country at the end of 1987 and how does it compare with the value and quantity of gold seized during the previous years 1985 and 1986; State-wise details;

(b) the percentage of rise in the smuggling of gold into the country;

(c) the specific measures taken by Government to curb the smuggling of gold into the country and to contain the prices in the domestic market; and

(d) how the seized gold has been disposed of?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) The estimated value (with quantity) of smuggled gold seized in the country during 1985, 1986 and 1987 is given below:

Year	Quantity (in Kgs.)	Value (Rs. in crores)
1985	2525	51.9
1986	2174	46.7
1987	2245	65.4

State-wise details are not maintained.

(b) Since smuggling is a clandestine activity, it is not feasible to estimate the percentage of rise/fall in the smuggling of gold into the country.

(c) Since gold is not an essential commodity, Government has not found it necessary to regulate the prices of gold. In order to curb smuggling of goods including gold into the country, the anti-smuggling drive has been intensified. The anti-smuggling machinery throughout the country particularly at vulnerable points of coastline and the land borders and at the international airports and seaports has been geared up. Sophisticated equipment such as metal detectors and X-ray machines

are used for detection of gold concealed by passengers on their person and in their baggage. Close co-ordination is maintained with all the agencies concerned in detection and prevention of smuggling into the country.

(d) As per the prescribed modes of disposal confiscated gold is deposited in the Government of India Mint.

[Translation]

Bank Loans given in Mathura

3762. SHRI MANVENDRA SINGH: Will the Minister of FINANCE be pleased to state:

(a) the total amount of loans given to unemployed youths, farmers and businessmen by various banks of Mathura district in Uttar Pradesh during the last three years; and

(b) the loan limit fixed for the year 1988-89.

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Syndicate Bank which has the lead responsibility for district Mathura has reported that the financial assistance rendered by various banks in Mathura district during the last 3 years and the target fixed in the respective sectors for the year 1988 are as under:

(Rs. in lakhs)

Year	Agriculture and allied activities	Small Scale Industries	Tertiary sector
1985	1465.94	321.91	389.04
1986	1469.63	156.95	265.16
1987	1388.82	352.92	241.62
1988 (target)	2046.89	497.91	400.20

[English]

Census of Minor Irrigation Works

3763. SHRIMATI D.K. BHANDARI: Will the Minister of WATER RESOURCES be pleased to refer to the reply given to Unstarred Question No. 3845 on 2 December, 1987 regarding Census of Minor Irrigation Works and state:

(a) the areas where census of minor irrigation works has been undertaken as on 15 February, 1988 State-wise; and

(b) the areas, State-wise, where assessment of irrigated areas has been taken up so far?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). Census of Minor Irrigation Works including assessment of irrigated areas have been undertaken in all the States of the country except Meghalaya and Mizoram.

Round-the Clock Banking System

3764. SHRI HARIHAR SOREN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have a proposal to introduce Round-the-clock banking system;

(b) if so, the time by which such proposal is likely to be implemented; and

(c) the steps taken in that direction?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank

of India (RBI) has reported that there is no proposal under its consideration to introduce round the clock banking system in the country. However, as a part of improving the banking services, RBI has recently allowed some foreign banks and a few nationalised banks to instal Automated Teller Machines (ATMs) at their selective offices in metropolitan cities. The ATMs provide opportunity to the customers to withdraw cash any time round the clock on all seven days in a week.

[Translation]

Personal Accident Insurance Social Security Scheme

3765. SHRI DAL CHANDER JAIN: Will the Minister of FINANCE be pleased to state:

(a) the number of districts in each State where Personal Accident Insurance Social Security Scheme has been introduced and the number of persons benefited by this scheme, State-wise; and

(b) Government's plan to introduce this scheme in the remaining districts and the criteria of selecting the districts for this scheme?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The required information is given in the statement below.

(b) The Scheme would be progressively extended to all uncovered districts.

The districts are selected in consultation with the State Governments/Union Territories.

STATEMENT

State-wise break-up of the districts covered and families benefitted as on 31st Dec., 1987

State/U.T.	Number of Districts Covered	Number of families benefitted
1	2	3
Andhra Pradesh	14	1462

1	2	3
Arunachal Pradesh	3	6
Assam	5	16
Bihar	19	149
Goa	1	31
Gujarat	9	207
Haryana	5	57
Himachal Pradesh	4	40
Jammu & Kashmir	4	6
Karnataka	10	605
Kerala	7	1098
Madhya Pradesh	14	519
Maharashtra	18	538
Manipur	3	3
Meghalaya	3	15
Mizoram	2	--
Nagaland	3	4
Orissa	7	403
Punjab	6	8
Rajasthan	11	110
Sikkim	3	8
Tamil Nadu	13	--
Tripura	3	--
Uttar Pradesh	27	400
West Bengal	12	612
Andaman & Nicobar	2	--
Chandigarh	1	1

1	2	3
Dadra & Nagar Haveli	1	13
Daman & Diu	1	2
Lakshadweep	1	1
Pondicherry	1	94
Delhi	1	--
TOTAL:		6,408

[English]

Leather Export

3766. SHRI RADHAKANTA DIGAL: Will the Minister of COMMERCE be pleased to state:

(a) the target set for the export of leather during 1987-88;

(b) the achievement made so far;

(c) whether Government propose to increase leather export in 1988-89; and

(d) if so, the target set therefor and the steps being taken for export promotion?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). Target for export of leather and leather products for 1987-88 is Rs. 1000.00 crores and the achievement during the period April-December, 1987, according to Council for Leather Exports, Madras is provisionally placed at Rs. 841.00 crores.

(c) Yes, Sir.

(d) The export target for 1988-89 proposed by Council for Leather Exports is Rs. 1350 crores. Measures taken for market promotion abroad and product development in India of leather products to be competitive in world market in terms of price and quality have helped in increasing exports in this sector and these measures

are proposed to be continued and intensified, wherever, required.

Export of Sewing Machines, Cycles and Scooters

3767. SHRI AMARSINH RATHAWA: Will the Minister of COMMERCE be pleased to state:

(a) whether there is a great demand of sewing machines, cycles, 2-wheeler scooters in foreign countries;

(b) if so, the steps being taken to boost this trade;

(c) through which agency these items are being exported;

(d) the procedure adopted to select these items;

(e) whether these items are being purchased from small scale industries; if so, the details thereof; and

(f) the steps being taken to maintain the quality?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). Keeping in view the possibilities of export of engineering goods including bicycles, two wheelers, sewing machines, etc., a number of measures have been taken to stimulate exports. These

measures inter-alia include liberalisation of facilities for import of technology, modernisation, a new regime of cash compensatory support to compensate for the cascading effect of domestic taxation, access to raw materials and consumables at international competitive prices, reduction in the interest rates of pre and post shipment credit, interest rebate on new term loans to units which export more than 25% of their production, introduction of new blanket exchange permit scheme to facilitate export promotion activities, grant of replenishment licences, duty drawback etc.

(c) to (e). Exports of bicycles, sewing machines and scooters are not canalised. Sewing machines and bicycles are being exported both by the large scale and small scale sector.

(f) Apart from the measures indicated in answer to part (b) above, in order to maintain quality control, the Government has authorised the Export Inspection Agencies to carry out compulsory pre-shipment inspection of bicycles and bicycle parts and sewing machines and components.

Mineral Export Policy

3768. SHRI H.B. PATIL: Will the Minister of COMMERCE be pleased to state:

(a) whether the Federation of Indian Mineral Industries has pointed out that since there is no clearcut minerals export policy, no estimate could be made about the increase in exports by the year 2000 A.D.;

(b) if so, whether any study has been conducted in this regard; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Yes, Sir.

(b) and (c). Government policy in the minerals sector has been to promote export of minerals subject to conservation of ores for domestic requirements. No satisfactory estimate of export of minerals in

2000 A.D. is, however, possible in absence of reliable estimate of demand for ores in international market and firm projection of investment in this sector and related infrastructure within the country.

Gold Jewellery Complex at Calcutta

3769. SHRI SATYAGOPAL MISRA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is proposed to set up a gold jewellery complex at Calcutta; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). Government notification in connection with 100% export-oriented gold jewellery complexes enables sponsoring of such complexes by either State Governments or public sector enterprises of the State or Central Government. No concrete proposal, after finalising the requisite infrastructured facilities, has been received for a complex to be set up at Calcutta.

Tobacco Export

3770. SHRI AMARSHIN RATHAWA: Will the Minister of COMMERCE be pleased to state:

(a) whether there has been decline in the export of tobacco during the period April-December, 1987 as compared to same period in 1986;

(b) if so, the reasons therefor; and

(c) the steps being taken to boost export of tobacco?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Yes, Sir. The exports of tobacco during the period are:--

Apr. Dec. '87		Apr. Dec. '86	
Qty. (Tonnes)	Value (Rs./crores)	Qty. (Tonnes)	Value (Rs./crores)
40341	82.92	56444	125.36

(b) The reasons for decline in the exports of tobacco during April-December, 1987 are the world-wide slowing down of demand and particularly reduced off-take by U.S.S.R. of our tobacco.

(c) The steps being taken to boost the export of tobacco are:—

- Exports of tobacco to China have been permitted on D.A. terms (Documents against Acceptance) with the time stipulation being 30 days within which collection would be made after discharge of cargo at the port of destination.
- Exports of tobacco to Egypt have been permitted with payment terms involving 50% against presentation of documents on shipment and balance 50% on arrival of goods after inspection in Egypt.
- Exports to Egypt and Algeria have been permitted by extension of one year credit.
- A delegation comprising of the representatives of the Ministry of Commerce/Tobacco Board/ STC visited Egypt, Algeria and Tunisia in July, 1987 for export promotion of tobacco.
- The STC has been asked to contact buyers in Spain, Portugal, FRG and France through their Paris office and explore markets for Indian Tobacco in these countries.
- The possibilities of counter-trade for export of tobacco and extension of longer credit facilities are being explored.
- Further trade delegations to certain

countries for exploring new markets for export of tobacco.

- Efforts are also underway to develop the varieties, which produce low-nicotine and tobaccos with flavour which have demand in some of the importing countries.
- The Tobacco Board proposes to undertake intensive extension activities for improving the productivity and quality of tobacco in order to reduce unit cost of tobacco and thus increasing its price competitiveness in the world markets.

Decline in Export of Traditional Items

3771. SHRI AMARSINH RATHAWA:
SHRI SAMBHAJIRAO KAKADE:

Will the Minister of COMMERCE be pleased to state:

(a) whether India's trade in traditional items such as tea, jute, silk, lac, mica and other items has been declining for the last two years, except in relation to Soviet Union and if so, the reasons therefor;

(b) the steps being taken to locate more market to boost export of Indian products;

(c) the present measures to popularise Indian products abroad and to catch foreign market; and

(d) the steps being taken further to popularise Indian goods abroad?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) The country-commodity trade figures available upto 1985-86 do not indicate any decline as compared to 1983-84 in

overall exports of India's traditional items, including in areas other than USSR.

(b) to (d). Continuous efforts are being made to diversify our export markets and to popularise Indian products abroad through trade promotion measures such as exhibitions, trade fairs, exchange of delegations, buyer-seller meets, market studies, etc.

Raids in Race Course

3772. SHRI AMARSINH RATHAWA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that searches were carried out on bookies of the Delhi Race Course recently;

(b) if so, the details of raids conducted and the detail of unaccounted money recovered; and

(c) whether Government propose to conduct such raids in other cities also to unearth unaccounted money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). The Income Tax Department conducted searches at the premises of 14 bookies of the Delhi Race Course on 18.2.1988. During the course of these searches, *prima facie* unaccounted assets worth Rs. 77.51 lakhs were seized.

(c) The Government is taking appropriate action under Direct Tax Acts in all cases of tax-evasion where any specific information is received.

[Translation]

Bungling in Connaught Circus Branch of State Bank of Indore

3773. SHRI C. JANGA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether many cases of bungling committed during the period from January, 1982 to December, 1984 in Connaught

Circus branch of State Bank of Indore, New Delhi have been detected;

(b) if so, the details thereof, year-wise;

(c) the number of officers/employees found involved therein and the amount involved in each case and the number of employees against whom legal action has been taken;

(d) whether some officers involved in these cases have gone scot-free; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (e). State Bank of Indore has reported that no fraud was perpetrated at its Connaught Circus (New Delhi) branch during the period from January 1982 to December 1984. The Bank has, however, reported that in 1982 there was a case of sanctioning credit facilities by the then Branch Manager to a firm in which a relative of the Branch Manager was interested as partner/proprietor, without disclosing this fact to the controlling authority. Disciplinary proceedings have been initiated against the Branch Manager and charge-sheet has been issued in respect of sanctioning credit facility to the firm in which his relative was interested.

[English]

Tea Export to USSR

3774. SHRIMATI N.P. JHANSI LAKSHMI: Will the Minister of COMMERCE be pleased to state:

(a) the quantity of tea exported to USSR in 1985-86, 1986-87 and 1987-88;

(b) the foreign exchange earned (year-wise);

(c) whether any attempt is being made to reduce overdependence on USSR for exports to that country; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). The quantity of tea exported to USSR is as under:--

	Quantity (M. Kgs.)	Value (Rs. in crores)
1985-86	100.45	297.10
1986-87	87.29	255.86
1987-88 (April-Jan.)	78.92	240.69

(c) Export of tea from India to USSR is governed by Trade Plan provisions fixed under bilateral agreement covering many commodities including tea. Efforts are being made not only to ensure fulfilment of Trade Plan provisions but also to increase exports of tea to other countries.

(d) Tea Board has initiated special promotional programmes with an outlay of Rs. 3.5 crores in UK, USA, West Europe, Saudi Arabia, UAE, etc. for Indian teas and value added teas.

Production, Consumption and Import of Natural Rubber

3775. SHRIMATI N.P. JHANSI
LAKSHMI:
SHRI HARIHAR SOREN:

Will the Minister of COMMERCE be pleased to state:

(a) the figures regarding production, consumption and import of natural rubber during 1986-87 and 1987-88;

(b) the figures of different grades of natural rubber imported by the State Trading Corporation in 1986-87 and in 1987; country-wise; and

(c) the foreign exchange spent on natural rubber imports in 1986-87 and 1987-88?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (c). A Statement is given below.

STATEMENT

(a) The figure of production, consumption and imports during 1986-87 and 1987-88 have been as under:--

Year	Production	Consumption	(Qty. in Tonnes)
			Imports
1986-87	219520(P)	257305(P)	40228(P)
1987-88	235000(E)	285000(E)	40291 (Imported so far)

(b) and (c). The details of the different grades of Natural Rubber imported by S.T.C. Country-Wise and the Foreign Exchange spent for this has been as under:--

						(Qty. in Tonnes) Value in Rs. lakhs)
Year	RSS-III Grade			SMR-20 Grade		Amount
	Malaysia	Thailand	Sri Lanka	Malaysia	Indonesia	
1986-87	21950	8050	228	10,000	--	3963.00
1987-88 (Imports so far)	25949	5150	--	9,092	100	4923.24

P = Provisional

E = Estimated

Appointment of Chairman Coffee Board

3776. SHRIMATI N. P. JHANSI LAKSHMI: Will the Minister of COMMERCE be pleased to state:

(a) whether the present Chairman of the Coffee Board has been appointed in an officiating capacity;

(b) if so, whether there is a proposal to appoint a full time Chairman of the Coffee Board; and

(c) the criteria for selection?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). Yes, Sir.

(c) The Chairman, Coffee Board is the Principal Executive officer of the Board and has to exercise administrative control over all the Departments and officers of the Board. He has to coordinate the activities of the Board in such a way as to subserve the interests of coffee growers, coffee consumers and exporters within the overall frame work of the Coffee Act and the Rules there under. The criteria for Selection of the incumbent therefore stipulates possession of adequate administrative, professional and commercial capabilities in the individual so that he can ensure proper functioning of the Board and its various committees.

Section 269 UD (1) of Income Tax Act

3777. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state:

(a) the names of cities to which Section

269 UD(1) of Income Tax Act, 1961 applies;

(b) the number of properties acquired by the Department in each of these cities; and

(c) the properties which have been sold by public auction so far with the difference between the auction and the purchase price in each case?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANIA): (a) Section 269 UD (1) of Income Tax Act, 1961 applies to the cities of Delhi, Bombay, Calcutta, Madras, Bangalore & Ahmedabad.

(b) The number of properties purchased Under Section 269 UD(1) by the department in these cities upto 31.1.1988 are as under:--

Name of City	No. of properties purchased
Delhi	67
Bombay	59
Calcutta	24
Madras	15
Bangalore	10
Ahmedabad	Nil

(c) The properties which have been sold by public auction upto 31.1.1988 with the difference between the auction and the purchase price in each case are given in the statement below.

STATEMENT*Details of sale by Public Auction*

S. No.	Description of property	Apparent consideration at which purchased by the Central Government (purchased) price	Price at which sold in the public auction	Difference between auction price and purchase price
1	2	3	4	5
1.	Laxmi House 504, Mount Rd., Madras.	1,40,00,000	2,60,25,000	1,20,25,000
2.	98, Oliver Rd., Mylapore, Madras.	44,20,000	66,00,000	21,80,000
3.	B-1/16,, Hauz Khas Enclave, New Delhi.	12,75,000	15,10,000	6,35,000
4.	231, Lloyds Rd., Madras.	20,80,000		
5.	232, Lloyds Rd., Madras.	15,20,000	54,00,000	18,00,000
6.	27, Harrington Rd., Madras.	18,50,000	24,55,000	6,05,000
7.	B-2/6, Model Town New Delhi.	24,00,000	36,35,000	12,35,000
8.	94, Dr. Radhakrishnan Salai Mylapore Madras.	15,50,000	26,40,500	10,90,000
9.	7A/35, WEA Karol Bagh, New Delhi.	11,15,000	19,00,000	7,85,000
10.	Flat No. 52,22 Narayan Dabholkar Road, Bombay.	34,55,000	45,00,000	10,45,000
11.	93, Sentheme High Road, Madras.	50,00,000	66,11,000	16,11,000
12.	44, Chaity Appa's Hostal Road, Chetput Madras.	21,50,000	25,01,111	3,51,111
13.	39, II Main Rd., Raja Annama Laipuram Madras.	19,30,000	24,03,000	4,73,000

1	2	3	4	5
14.	Plot No. 1 Block-C NDSE-II New Delhi	30,00,000	37,11,000	7,11,000
15.	E-4, Kailash Colony New Delhi	32,00,000	52,31,000	20,31,000

Threat to Bhagirathi Feeder Canal

3778. SHRI ANANDA PATHAK: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the feeder canal between the Ganga and the Bhagirathi has been threatened;

(b) if so, the details thereof; and

(c) the steps being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) No, Sir.

(b) and (c). Do not arise.

[Translation]

Bank Loans to unemployed persons in Madhya Pradesh

3779. SHRI K.N. PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) the number of unemployed persons in Madhya Pradesh who were given loan by the banks during the last three years, year-wise;

(b) the amount of loan sanctioned during each of the last three years; and

(c) the number of applications for loans rejected during the said period, year-wise, and the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The number of applications and amount of loan sanctioned by banks under the Self-Employment Scheme for Educated Unemployed Youth (SEEU) in Madhya Pradesh during the years 1984-85 to 1986-87 are set out below:-

Year	No. of cases	Amount (Rs. in lakhs)
1984-85	18065	3404.38
1985-86	17224	3368.20
1986-87	16679	3540.52

(c) Reserve Bank of India have reported that the information relating to reasons for rejection of applications is not collected by them. However, targets set forth for Madhya Pradesh under the scheme during these three years are reported to have been achieved by over 94%.

[English]

Assessment of JBCs abroad

3780. DR. B.L. SHAILESH: Will the Minister of COMMERCE be pleased to state:

(a) whether any assessment has been made of the working of the Joint Business

Council (JBC) arrangements entered into by the private sector with counter-parts abroad;

(b) if so, its outcome;

(c) whether some of these Councils have been quite dormant and functioning poorly; and

(d) if so, the role which Government propose to play in toning up the working of these Councils and find a solution to the vexed issue of JBC membership and control in the larger interests of promoting foreign trade?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (d). Joint Business Council is an institutional mechanism brought into existence through agreements between Federation of Indian Chambers of Commerce & Industry and their counter-part organisations in countries abroad not only to build up contacts at the highest business level, but also to help in increasing the areas of cooperation in diverse fields of trade and industry. There are as many as 36 Joint Business Councils, some of which are actively working and some are not, Government has had opportunities to discuss the working of these Councils of discussions with Federation of Indian Chambers of Commerce and Industry. Both FICCI and ASSOCHAM have welcomed such dialogues being carried on between the Federation of Indian Chambers of Commerce and Industry and the Government for better understanding of policies and programmes.

Meat Export

3781. SHRI CHINTAMANI JENA: Will the Minister of COMMERCE be pleased to state:

(a) the value of meat exported during 1985-86 and 1986-87;

(b) the value of meat supplied to foreign countries during the period April-December, 1987;

(c) the names of the countries to whom export was made;

(d) whether it is a fact that substandard meat was supplied to Middle East countries;

(e) if so, the details thereof and whether any responsibility has been fixed; and

(f) the measures being taken to catch more market in future?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Value of meat exported during 1985-86 and 1986-87 was Rs. 74.01 and Rs. 79.01 crores respectively.

(b) The value of meat exported during April-December 1987 is provisionally estimated at Rs. 64.43 crores.

(c) The main market for our meat exports are the Middle East Countries namely, Kuwait, Bahrain, UAE, Muscat, Egypt and Turkey.

(d) No, Sir.

(e) Does not arise.

(f) Efforts are being intensified at tapping newly emerging markets of Turkey as well as African countries. Quality control measures have been strengthened to ensure Customer acceptability. Moreover, delegations from various countries are encouraged to visit India.

Exploitation of MODVAT

3782. PROF. MADHU DANDAVATE: Will the Minister of FINANCE be pleased to state:

(a) whether during the last about one year there is a spurt in the floating of small companies;

(b) if so, whether the big companies have adopted some devices to exploit MODVAT to their advantage; and

(c) if so, the action taken to safeguard Government revenue?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) There has been some increase in the number of small scale units availing of MODVAT facility during the year 1987 as compared to the previous year. The extent of increase however cannot be said to be abnormal.

(b) The MODVAT scheme provides that proforma credit would be equal to the notional normal duty, even when the small scale units would have paid only concessional duty. Some instances of misuse of this facility by big units have come to the notice of the Government.

(c) The scheme providing for higher notional credit under MODVAT is due to expire on 31.3.1988.

Central Assistance for Minor Irrigation for Himachal Pradesh

3783. PROF. NARAIN CHAND PARASHAR: Will the Minister of WATER RESOURCES be pleased to refer to the reply given on 18.11.1987 to Starred Question No. 172 regarding assistance to States to acquire Drilling Rigs and state:

(a) the reasons for not allocating any assistance as Central Assistance under the Centrally Sponsored Schemes for strengthening ground water and surface water (MI) Organisations for investigation and exploitation of ground water resources for minor irrigation during the period 1984-85 to 1986-87 for Himachal Pradesh;

(b) whether sufficient funds would be released for Himachal Pradesh for this purpose during the remaining years of the Seventh Five Year Plan; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (c). No proposal was received for Central assistance under the scheme from the Government of Himachal Pradesh during the period 1984-85 to 1986-87. Central assistance to the extent

of 50% is admissible under this scheme. If the State Government is in a position to provide matching funds.

Opening of Nationalised Bank branches in Himachal Pradesh

3784. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to refer to reply given on 25 February, 1987 to Unstarred Question No. 250 regarding licences for opening of bank branches in Himachal Pradesh and state:

(a) names of the branches of Nationalised Banks, which were issued licences by Reserve Bank of India, opened upto 31 December, 1987;

(b) names of such other branches, district-wise, which are likely to be opened upto 31 March, 1988;

(c) whether licences for any additional centres for which licences were not issued earlier have also been issued since then;

(d) if so, the names thereof, district-wise and the names of such among them in which branches have also been opened; and

(e) whether it would be ensured that all the identified centres listed in the answer referred to above would be sanctioned branches of nationalised banks and likely date by which it would be done?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) According to information available with Reserve Bank of India (RBI), out of the initial 104 centres allotted to the various banks, branches have been opened at 24 centres upto 31st December, 1987. The details are indicated in the Statement below.

(b) RBI has advised the banks that branches at the allotted centres should be opened in a phased manner during the remaining period of the current branch expansion programme. As such, it would not be possible at this stage to indicate the

number of new branches that will be opened by banks upto 31st March, 1988 in the State of Himachal Pradesh.

centres have been allotted by RBI to public sector banks in the State of Himachal Pradesh after the first allotment.

(c) and (d). The following 15 additional

STATEMENT

Name of Centre		Name of Bank
1		2
<i>District Bilaspur</i>		
1.	Harlog	Punjab National Bank (PNB)
<i>District Hamirpur</i>		
2.	Nalti	PNB
3.	Mahral	PNB
4.	Sera	State Bank of India (SBI)
<i>District Kangra</i>		
5.	Challour	PNB
6.	Gander	SBI
<i>District Mandi</i>		
7.	Sandhol	PNB
<i>District Solan</i>		
8.	Nagaon	State Bank of Patiala
9.	Jabli	State Bank of Patiala
10.	Padhaladh	State Bank of Patiala
11.	Manpura	State Bank of Patiala
12.	Pipulghat	PNB
13.	Jagjitnagar	PNB
<i>District Una</i>		
14.	Gondpur Banehara	SBI
15.	Raipur	PNB

According to information available with RBI, branches have been opened at 4 centres namely Nalti, Mahral, Chhallour and Sandhol out of the above 15 centres.

(e) RBI has reported that the remaining

centres identified by the State Government of Himachal Pradesh which do not conform to the norms laid down in the current Policy have not been considered for allotment to any bank under the current branch expansion programme.

STATEMENT

Name of District	Name of Centre	Name of Bank
1	2	3
Bilaspur	Dagrahn (Jagat-Khana)	State Bank of Patiala
Bilaspur	Chhakoh	Punjab National Bank
Bilaspur	Kalthala (Mehri Kalthela)	Punjab National Bank
Chamba	Khairi	State Bank of India
Hamirpur	Tal	Punjab National Bank
Hamirpur	Chakmoh	State Bank of India
Hamirpur	Dhangota	Central Bank of India
Kangra	Bankhandi	Punjab National Bank
Kangra	Sunhi	Punjab National Bank
Kangra	Rajhoon	Punjab National Bank
Kangra	Darini	Punjab National Bank
Kangra	Chamunda	Central Bank of India
Kangra	Sansarpur Terrace	Punjab National Bank
Kinnaur	Karcham	Punjab National Bank
Kulu	Kalath	Punjab National Bank
Mandi	Majhwan	Punjab National Bank
Mandi	Jarol	Punjab National Bank
Shimla	Madhauni	Punjab National Bank
Shimla	Mauhri	Punjab National Bank
Shimla	Nirth	Punjab National Bank
Shimla	Kutara	State Bank of India
Sirmour	Bhagani	State Bank of India
Solan	Dabhata	Punjab National Bank
Solan	Nund	Punjab National Bank
Total	24 Centres	

Modernisation of Textile Mills in Kerala

3785. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of TEXTILES be pleased to state:

(a) whether there are any schemes to modernise the Textile Mills in Kerala;

(b) if so, the details thereof and the steps proposed to be taken; and

(c) the quantum of funds allocated for modernisation of Textile Mills in Kerala during 1987-88 and 1988-89?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b). The Textile Modernisation Fund Scheme is applicable to textile mills in Kerala also. The Fund, besides providing assistance at concessional rates also attends to some of the special problems of the weak but viable units. It also assists healthy textile units in their modernisation efforts.

(c) State-wise allocation of the fund is not made under this Scheme.

Smuggling of Textiles

3786. SHRI C.K. KUPPUSWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken action against the persons involved in smuggling of textile articles;

(b) the action taken to check the increased volume of smuggling of this item; and

(c) the approximate cost of textiles smuggled during the last three years?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Apart from the punishment of confiscating the smuggled goods including smuggled textile articles, the persons involved in smuggling are penalised in departmental proceedings and where warranted are arrested and prosecuted in Courts of Law.

(b) The anti-smuggling drive throughout the country has been intensified and the anti-smuggling machinery has been geared up at all the international airports and the seaports and vulnerable areas of the coastline and the land borders. Close co-ordination is maintained with all the agencies concerned in the detection and prevention of smuggling into the country.

The Government has also now permit-

ted setting up new factories and the expansion of existing capacities for the manufacture of polyester fibre and polyester yarn to enable the manufacturers to achieve economies of scale. This would reduce the cost of the indigenous synthetic textiles and thereby reduce the incentive to their smuggling.

As a further measure to reduce the incentive to smuggling of synthetic textiles, fiscal levies on man-made fibre and yarn have been reduced with effect from 1st March, 1988, as a part of this year's budget proposals.

(c) Since smuggling is a clandestine activity, it is not feasible to estimate the quantum of textile smuggling during the last three years. However, the value of seizures of synthetic fabrics during the last three calendar years is given below:--

Year	Value (Rs. in lakhs)
1985	1648
1986	1461
1987	875

Financial Assistance by Banks under 20-Point Programme and Self Employment Scheme

3787. SHRI C.K. KUPPUSWAMY : Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken proper action for the implementation of financial assistance under 20-Point Programme and self employment scheme;

(b) the total amount of financial assistance given during the past three years, State-wise and bank-wise; and

(c) the action taken against the bank authorities who are not co-operating in disbursing the sanctioned amount through their banks?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN

THE MINISTRY OF FINANCE: (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India (RBI) has issued appropriate guidelines/instructions to all the public sector banks in respect of financial assistance under Twenty Point Programme (TPP), Self-Employment Scheme for Educated Youth (SEEUY), and Self-Employment Programme

for Urban Poor (SEPUP). All these schemes are being implemented by the banks accordingly.

(b) Available details of financial assistance extended by the public sector banks during the last three years under TPP, SEEUY and SEPUP are set out below:

(i) TPP	
As at the end of	Balance amount outstanding (Rs. in crores)
December 1985	6684.19
December 1986	7896.90
September 1987	8346.52 (Provisional)
(ii) SEEUY	
Year	Loan amount disbursed (Rs. in crores)
1984-85	307.57
1985-86	298.88
1986-87	219.38
(iii) SEPUP*	
	Loan amount disbursed (Rs. in crores)
1986-87	101.71

*SEPUP was introduced during 1986-87 only.

RBI has reported that the present data reporting system does not generate bank-wise data for each State.

(c) RBI has reported that they have not received any large scale complaints that bank authorities are not cooperating in disbursing the sanctioned amounts under these schemes. Whenever specific cases are brought to the notice of RBI, necessary remedial action is taken by them.

Loans to Private Sector Shipping Companies

3788. SHRI SANAT KUMAR MANDAL:
 PROF. K. V. THOMAS:
 SHRI YASHWANTRAO GADAKH
 PATIL:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to reschedule Rs. 600 crores worth of loans given to the private sector shipping companies;

(b) if so, the reasons therefor;

(c) the total loans outstanding against this sector and the reasons for non-recovery thereof; and

(d) the names of the companies which have been found viable, and given this financial package and the terms and conditions thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Because of world-wide recession in the shipping industry during the last few years, the recovery

ery of loans advanced by erstwhile SDFC to several shipping companies had been adversely affected. As on 30.9.87, the total amount outstanding from private sector shipping companies on account of rupee loans, SAFAUNS loans and foreign yard credit, stood at Rs. 784 crores (Approximately). With a view to protecting the national tonnage and to enabling recovery of such loans from sick but viable shipping companies, the Shipping Credit & Investment Company of India undertook examination of the financial viability of such companies on a case by case basis and has worked out appropriate rehabilitation packages.

(d) After carrying out analysis of the financial viability of the private sector shipping companies, financial packages are worked out for potentially viable companies which may include *inter-alia* restructuring of outstanding loans by converting the excess of the principal amount of debt over the actual valuation of assets into zero rated bonds and the outstanding interest into cumulative convertible preference shares. The Shipping Credit & Investment Company of India has prepared rehabilitation packages in respect of the following shipping companies:--

1. Chowgule Steamships Limited.
2. Hede Navigation Company Limited.
3. India Steamships Limited.
4. Ratnakar Shipping Company Limited.
5. South India Shipping Corporation Limited.
6. Streamline Shipping Company Limited.
7. Surrendra Overseas Limited.
8. Tolani Shipping Company Limited.

Liquidation of Financial Companies

3789. SHRI RAM BAHADUR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India has suggested in a report to Government to liquidate a number of financial companies;

(b) whether Government have considered the suggestion of the Reserve Bank;

(c) whether these companies include any company of Calcutta; and

(d) if so, the particulars of these companies and the action taken against these companies?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). Certain suggestions were received from Reserve Bank of India which included proposals for winding up of a few residuary non-banking companies. The matter was considered and the Registrar of Companies, Calcutta has issued show cause notices to certain residuary non-banking companies as to why action under section 433/439 of Companies Act, 1956 be not taken against them. Since the investigations are still in progress, it would not be in public interest to disclose the names of the Companies.

Export of Basmati Rice

3790. DR.V.VENKATESH: Will the Minister of COMMERCE be pleased to state:

(a) the quantity of basmati rice exported during 1987-88 upto-date; and

(b) the amount of foreign exchange thus earned?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R.DAS MUNSI): (a) and (b). Exports of basmati rice during April-December 1987, as per provisional data compiled by the Agricultural and processed Food Products Export Development Authority, are estimated at 2.27 lakh tonnes valued at Rs. 220.10 crores.

Bank Loans to Farmers

3791. SHRI S.M. GURADDI:
SHRI G.S. BASAVARAJU:

Will the Minister of FINANCE be pleased to state:

(a) whether directives have been issued to banks to provide loans to farmers;

(b) if so, whether banks have been told to advance loans to farmers at a nominal interest;

(c) the amount of loan advanced by nationalised banks to the farmers during 1987; and

(d) the extent to which the nationalised banks have agreed to advance the loans to farmers during 1988?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India (RBI) has reported that banks are required to provide loans to farmers as part of their lending to agricultural sector.

(b) At present, the rates of interest to be charged by banks on advances to farmers for agricultural purpose are as under:--

1. Short term loans to farmers	%per annum
(i) Upto Rs. 7500/-	10.00
(ii) Over Rs. 7500/- and upto Rs. 15000/-	11.50
(iii) Over Rs. 15000/- and upto Rs. 25000/-	12.50 to 14.00
(iv) Over Rs. 25000/-	14.00 to 15.50
2. Term Loans	
(i) Minor irrigation and land development	10.00
(ii) Other (agricultural purposes)	
(a) Small farmers	10.00
(b) Other farmers	12.50

(c) The outstanding agricultural advances granted by the 28 public sector banks stood at Rs. 9577 crores (Provisional) at the end of September, 1987.

(d) The target for direct finance to agriculture was 16%. It has been since decided to increase the target to 17% to be achieved by the end of March, 1989.

Performance of Private Corporate Sector

3792. DR. DATTA SAMANT: Will the Minister of FINANCE be pleased to state:

(a) whether the findings of the study of financial performance of private corporate sector for the year 1986-87 by Industrial Credit and Investment Corporation of India shows encouraging performance; and

(b) the details of sales, profits, borrowings, production etc. of private corporate sector for the years 1984-85, 1985-86 and 1986-87?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN

THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The Industrial Credit and Investment Corporation of India (ICICI) has reported that its study on the financial performance of 417 public limited companies in its portfolio in 1986-87 at the aggregate level showed declaration in

growth of sales/value of production and a certain decline in profitability.

(b) As per the ICICI's study, the information with regard to production, borrowings and gross profits of 417 companies for three years was as under:

(Rs. in crores) ¹			
Item	1984-85	1985-86	1986-87
Value of Production	25970	30093	32390
Long term Borrowings (Outstandings)	3511	3805	4416
Gross Profits	2526	3104	3123

Production of Cardamom

3793. **SHRI H.N. NANJE GOWDA :** Will the Minister of COMMERCE be pleased to state:

(a) whether export trend of Cardamom has declined during 1987;

(b) if so, whether it is due to decline in production of cardamom in the country; and

(c) if so, the plans Government are considering to increase production of cardamom?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) Yes, Sir.

(b) Our exports of cardamom have been affected on account of the non-competitive price of our produce. Indian cardamom prices are high due to shortfall in production as a result of drought conditions and due to lower levels of productivity vis-a-vis our competitors like Guatemala.

(c) In order that our prices of cardamom are competitive in the international market

the Govt. is giving a thrust to development programmes to increase productivity and production of cardamom. This includes Departmental Nurseries, schemes for replantation, irrigation, certified and polybag nursery, soil conservation, plant protection, curing houses and bee keeping etc.

Spices Board under the Govt. is also conducting research for development of new high yielding varieties.

Import of Petro-Chemicals

3795. **SHRIMATI JAYANTI PATNAIK :**
SHRI LAKSHMAN MALLICK :

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have been importing petro-chemicals;

(b) if so, since when and the value of petro-chemicals imported during 1986-87 and 1987-88;

(c) the petro-chemicals imports projected for the year 1988-89 and the expenditure likely to be incurred thereon; and

(d) the reasons for increasing import of petro-chemicals?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). Import statistics of various commodities (including petrochemicals) are published in the "Monthly Statistics of Foreign Trade of India--Vol. II (Imports)", published by DGCI&S, Calcutta, copies of which are available in the Parliament Library.

(c) The cost of import of petrochemicals in 1988-89 is estimated to be Rs. 1000 crores. The imports will mainly cover polymers, Caprolactum, xylene, MEG, DMT/PTA, synthetic Rubbers, N-Paraffin.

(d) The domestic production capacity of the above petro-chemical products is not adequate to fully meet the indigenous demand and the demand for various petrochemicals, particularly, polymers has been growing at a fast rate.

Sharing of Cauvery Water

3796. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Union Government had interceded on behalf of Tamil Nadu to secure for that State a share in the Cauvery Waters from Karnataka;

(b) the response of Karnataka Government thereto;

(c) the terms on which Karnataka is to share the Cauvery Water with Tamil Nadu;

(d) whether the implementation of the agreement has commenced; and

(e) if so, the quantity of water has been let to Tamil Nadu?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (e). On persuasion by the Union Government, Government of Karnataka have released 4 TMC of water in exchange of power in future from Tamil Nadu.

Tea Export to Pakistan

3797. DR. G.S. RAJHANS:
SHRI H.N. NANJE GOWDA:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Tea Board has recommended for export of tea to Pakistan's Trading Corporation;

(b) if so, whether Government are considering the proposal and if so, whether any agreement has since been made in this regard; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) to (c). An Indian Tea delegation had visited Pakistan recently. The present balance of trade between India and Pakistan is in Pakistan's favour. Exports of tea to Pakistan are linked to overall import and export of goods between India and Pakistan and the present tea import policy of Pakistan.

Irrigation Projects behind Scheduled

3798. SHRI SOMNATH RATH: Will the Minister of WATER RESOURCES be pleased to state:

(a) the steps taken to review the delay in implementation of various irrigation projects in different States;

(b) whether Government propose to take necessary steps in implementation of irrigation projects in different States which have suffered time and price escalation for years together;

(c) whether Government have contemplated suitable measures for implementing medium as well as major irrigation projects in the States within scheduled time and finance; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (d). Irrigation projects are planned, funded and implemented by the State Governments. The main reasons for delay include financial constraints, cost escalations, inadequate investigations at the project formulation stage, difficulties in land acquisition and non-availability of building materials at times. The State Governments have been advised to priorities the projects for optimal allocation of available resources and lay stress on completion of ongoing projects. External assistance is also being arranged, wherever possible to step up the resources, and assistance is provided to States for procuring adequate supply of scarce material and equipment.

[Translation]

National Housing Bank

3799. SHRI JAGDISH AWASTHI:
SHRI JITENDRA PRASADA:

Will the Minister of FINANCE be pleased to state:

(a) the procedure prescribed for loan seekers for getting loan from the National Housing Bank set up to promote housing activities in the country and the extent to which one can avail loan from the aforesaid bank; and

(b) whether weaker sections are proposed to be given loan by this Bank at concessional rates?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Under the National Housing Bank Act, 1987, the Bank will not directly lend to individuals for housing. It is empowered to extend refinance facilities under specific schemes to be formulated by it to eligible housing finance institutions and scheduled banks against loans granted by latter for housing including those for economically weaker sections of society. The terms and conditions under which loans would be re-

financed would be decided by the National Housing Bank after it is established.

[English]

Loans written off by Industrial Finance Corporation of India

3800. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state:

(a) the particulars of the loans which have been written off by Industrial Finance Corporation of India since the appointment of the present Chairman;

(b) the rent of the office accommodation hired by the Corporation in Calcutta and the expenditure incurred on its furnishing and decoration;

(c) the expenditure incurred on the purchase of a residential flat in Bombay for the use of the Chairman; and

(d) whether Government propose to investigate the purchase and rental value of immovable property acquired by the Corporation during the last three years all over the country?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The possibility of certain advances going bad is inherent in the operations of banks and financial institutions. In accordance with the provisions of Section 39(1) of the Industrial Finance Corporation Act, 1948, information relating to or to the affairs of its constituents cannot be divulged except in circumstances; in which it is, in accordance with law or practice and usage, customary among bankers, necessary or appropriate for Industrial Finance Corporation of India (IFCI) to divulge such information. Information with regard to the particulars of bad and doubtful loans of its constituents which have been written off by the Industrial Finance Corporation of India (IFCI) from time to time cannot, therefore, be divulged as the same relates to affairs of its constituents.

(b) IFCI has reported that the office accommodation was hired in Calcutta @ Rs.15 per sq.ft. It is also reported that existing furniture & fixtures, generating sets and other associated equipments were taken over for Rs. 20 lakhs, on as is where basis, after getting the valuation done by an approved valuer. No further amount has been incurred by the Corporation on the furnishing and decoration of the said premises which were taken over with its fixtures, equipments, etc.

(c) IFCI has reported that no flat has been purchased for the use of its Chairman at Bombay.

(d) The Government have no proposal under its consideration in this behalf.

Export Processing Zone at Visakhapatnam

3801. SHRI V. SOBHANADREESWARA
RAO:
SHRI BHATTAM SRIRAMA-
MURTHY:

Will the Minister of COMMERCE be pleased to state:

(a) the reasons for delay in setting up Export Processing Zone at Visakhapatnam; and

(b) the likely date by which the Export Processing Zone at Visakhapatnam will come into being?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). Govt. have agreed in the principle to the location of a possible Export Processing Zone at Visakhapatnam. The modalities of implementing the possibility have to be worked with reference to the relevant techno-economic considerations. It is not feasible to indicate a time limit in this regard at this stage.

External Debt

3802. SHRI V. SOBHANADREESWARA RAO: Will the Minister of FINANCE be pleased to state:

(a) the total outstanding external debt burden on the country as on 31 March, 1987;

(b) the interest payable on this debt during the year 1987-88;

(c) the break-up of total external debt into public debt, private loan, IMF credit and short term debt; and

(d) the steps proposed to meet this commitment?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). The estimated external indebtedness of the country as on 31.3.87 is Rs.32312 crores in respect of Government loans, Rs.889 crores in respect of Non-Government Loans. In addition India has outstanding repurchase obligations of Rs.4826 crores in respect of IMF borrowings. Approvals of external commercial borrowings and supplier's credit from 1980-81 to 1986-87 amounting to Rs. 10355 crores have been given. However the addition to external debt on this account will be spread over a number of years in future as and when loans are actually drawn/utilised

The estimated amount of interest to be paid during 1987-88 on this debt (i.e. inclusive of the debt on Government and Non-Government Accounts, IMF Borrowings and commercial borrowings) is about Rs.2280 crores. The loans are being repaid according to their terms and conditions.

Alleged Involvement of NTC Officers

3803. DR. DATTA SAMANT:
SHRI V. TULSIRAM:
SHRI SANAT KUMAR MANDA:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that some senior officer of the National Textile Corporation posted in Gujarat were arrested recently for

allegedly having committed fraud in the Corporation; and

(b) if so, the facts in the matter?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b). No, Sir. However CBI have registered a case against three (3) officers of NTC (Gujarat) and a private party but none of the officers have been arrested by CBI.

Licences to Cotton Mills for Imports of Cotton

3804. DR. DATTA SAMANT:
SHRI KAMLA PRASAD RAWAT:

Will the Minister of TEXTILES be pleased to state:

(a) whether Union Government have issued licences to cotton mills for import of cotton;

(b) if so, the names of those mills and quota allowed to each mill; and

(c) the total quantity expected to be imported?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) Advance licences have been issued to various registered exporters for import of raw cotton.

(b) and (c). Information is being collected from the licencing authorities and will be laid on the Table of the House.

[Translation]

Proposal to set-up Textile Mills in Uttar Pradesh

3805. SHRI KAMLA PRASAD RAWAT:
Will the Minister of TEXTILES be pleased to state:

(a) whether Union Government propose to set up textile mills during the current year;

(b) if so, the names of the places where these mills will be set up;

(c) whether a textile mill will also be set up in Barabanki district of Uttar Pradesh; and

(d) if so, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) the Union Government do not set up textile mills.

(b) to (d). Do not arise in view of (a) above.

Deteriorating Condition of Delhi Weavers

3806. SHRI KAMLA PRASAD RAWAT:
Will the Minister of TEXTILES be pleased to state:

(a) whether the condition of weavers in Delhi has deteriorated to such an extent that they have to sell their handlooms to yarn dealers to enable them to pay the amount of interest;

(b) if so, the factors responsible for such pitiable conditions of weavers; and

(c) the steps being taken by Union Government to help the weavers?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) No, Sir.

(b) Does not arise.

(c) The following are the main steps taken by Government to help the weavers in Delhi:--

(i) Share capital assistance to enrol themselves as members of cooperative societies.

(ii) Assistance for modernisation of looms.

(iii) Special rebate at the rate of 20% on sale of handloom products.

(iv) Workshed Scheme.

(v) Thrift Fund Scheme.

- (vi) Loan assistance to individual weavers to the extent of Rs.10,000/-for working capital.
- (vii) Loan assistance to the extent of Rs.5,000/- for working capital and subsidy @ 75% subject to a maximum of Rs.5,000/- to weavers belonging to Scheduled Castes under Special Component Plan.

[English]

Swan Channelisation Scheme

3807. PROF. NARAIN CHAND PARASHAR: Will the Minister of WATER RESOURCES be pleased to state:

(a) the latest progress as on 29 February, 1988 in the formulation and sanction of Swan Channelisation Project and whether all details of the Swan Channelisation Project covered under Large Shivalik Project have been received from Government of Himachal Pradesh;

(b) if so, the brief outline of the two projects and the action taken by Government and the Central Water Commission for its early construction;

(c) whether the international financing agencies viz. World Bank, International Development Association, would be approached for financial assistance for the completion of these projects; and

(d) if not, the reasons therefor and the likely dates by which the Project would be

formulated, sanctioned and taken up for construction?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (d). The project Report, with channelisation as a component, of the composite project for the integrated development of Shivalik area is yet to be submitted by the Government of Himachal Pradesh.

Distribution of Exploratory Bore Holes

3808. PROF. NARAIN CHAND PARASHAR: Will the Minister of WATER RESOURCES be pleased to refer to the reply given on 18 July, 1986 to the Unstarred Question No. 63 regarding ground water exploration and state:

(a) the State-wise, distribution for drilling of 4000 exploratory bore holes during the Seventh Plan by the Central Ground Water Board;

(b) the exact progress including the number of bore holes, drilled State-wise, during each year off the Seventh Plan, including the current financial year and the financial break-up, State-wise, for allocations under each of two categories i.e. plan outlay and institutional finances; and

(c) the programme of the Central Ground Water Board for the remaining years of the Seventh Plan?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (c). Details are given in the Statements I, II and III below.

STATEMENT-I*Physical Targets and Achievements--Exploratory Drilling*

Sl. No.	State	No. of bore hole proposed to be drilled during VII Plan	Achievements		987-88		Proposals during 88-89	proposals during 1989-90
			1985-86	1986-87	Target	Achievement (Jan.88)		
1	2	3	4	5	6	7	8	9
1.	Andhra Pradesh	400	29	18	27	13	57	85
2.	Arunachal Pradesh	-	-	-	2	-	2	2
3.	Assam	150	3	15	30	9	5	25
4.	Bihar	300	10	12	28	22	18	58
5.	Goa	-	-	4	33	9	38	20
6.	Gujarat	200	34	27	44	19	43	45
7.	Haryana	30	5	11	22	3	20	11
8.	Himachal Pradesh	40	2	1	2	2	4	8
9	Jammu & Kashmir	30	19	17	13	8	15	15
10.	Karnataka	400	80	78	111	105	96	125
11.	Kerala	150	28	46	20	19	-	15
12.	Madhya Pradesh	440	13	5	79	14	108	128
13.	Maharashtra	440	56	46	57	11	57	85
14.	Manipur	10	15	10	-	1	-	5
15.	Meghalaya	70	5	-	-	-	15	15
16.	Mizoram	-	-	-	7	-	5	5
17.	Nagaland	40	2	-	-	-	-	5
18.	Orissa	400	24	23	29	21	58	85

1	2	3	4	5	6	7	8	9
19.	Punjab	150	15	19	14	4	13	15
20.	Rajasthan	450	27	65	45	23	51	130
21.	Sikkim	16	7	6	8	5	8	8
22.	Tamil Nadu	200	10	12	12	2	15	45
23.	Tripura	20	7	4	7	-	-	6
24.	Uttar Pradesh	450	27	23	48	16	44	50
25.	West Bengal	200	11	30	38	28	51	30
Total States		4586	429	472	676	334	723	1021
U.Ts		74	30	36	33	17	41	29
Grand Total		4660	459	508	709	351	764	1050

STATEMENT-II*Plan Outlays—Minor Irrigation Including Ground Water*

(Rs. in crores)				
Name of the State	7th Plan Outlay	1985-86 Actual	1986-87 Ant. Exp.	1987-88 Target approved
1	2	3	4	5
1. Andhra Pradesh	147.40	31.12	37.02	31.25
2. Arunachal Pradesh	23.00	4.15	4.65	5.15
3. Assam	160.00	28.39	30.68	34.88
4. Bihar	260.00	49.40	56.11	70.00
5. Gujarat	134.55	26.58	19.31	20.80
6. Haryana	14.17	1.30	2.07	2.07
7. Himachal Pradesh	54.00	4.14	8.58	11.74
8. J&k	42.00	11.78	10.08	10.74

1	2	3	4	5
9. Karnataka	151.00	28.32	31.89	37.25
10. Kerala	550.00	4.99	7.00	7.50
11. Madhya Pradesh	433.60	64.76	95.68	79.33
12. Maharashtra	250.00	40.47	75.90	112.83
13. Manipur	10.00	1.70	1.80	1.80
14. Meghalaya	9.70	1.70	1.75	2.00
15. Mizoram	7.00	0.69	1.00	1.15
16. Nagaland	15.00	2.14	2.59	2.51
17. Orissa	110.00	22.00	25.00	26.25
18. Punjab	46.22	5.44	5.61	6.68
19. Rajasthan	47.88	7.41	9.55	12.00
20. Sikkim	10.00	1.41	1.80	2.05
21. Tamil Nadu	65.00	15.78	20.74	23.00
22. Tripura	15.00	3.07	4.00	4.20
23. Uttar Pradesh	512.00	101.58	100.99	117.26
24. West Bengal	78.00	17.14	26.50	26.00
Total States	2645.42	475.46	580.30	648.44
Total UTs	24.57	4.48	4.49	5.33
Central Sector	135.00	12.83	31.80	28.00
Total all India	2804.99	492.77	616.59	681.77

STATEMENT-III*Institutional Finance Minor Irrigation Including Groundwater*

(Rs. in crores)

Sl. No.	Name of State/UTs	VII Plan (1985-90)	1985-86	1986-87 Anti.	1987-88 Target
1	2	3	4	5	6
1.	Andhra Pradesh	509.0	62.41	71.46	101.9
2.	Arunachal Pradesh		-	-	-

1	2	3	4	5	6
3.	Assam	53.2	2.02	6.39	10.6
4.	Bihar	323.2	27.38	30.55	64.6
5.	Goa	—	—	—	—
6.	Gujarat	144.5	32.40	35.29	28.9
7.	Haryana	96.4	19.40	22.27	19.3
8.	Himachal Pradesh	0.6	0.10	-	0.12
9.	Jammu & Kashmir	0.9	0.01	-	0.2
10.	Karnataka	181.4	41.99	62.76	36.3
11.	Kerala	76.8	12.76	19.03	15.4
12.	Madhya Pradesh	467	55.47	49.60	93.4
13.	Maharashtra	279.6	77.46	93.05	55.9
14.	Manipur	Neg.	—	—	—
15.	Meghalaya	Neg.	—	—	—
16.	Mizoram	Neg.	—	—	—
17.	Nagaland	Neg.	—	—	—
18.	Orissa	557.2	8.85	9.59	111.4
19.	Punjab	151.0	49.83	50.64	30.2
20.	Rajasthan	107.8	21.47	20.43	21.6
21.	Sikkim	Neg.	—	—	—
22.	Tamil Nadu	57.1	27.65	27.04	11.4
23.	Tripura	4	—	—	0.8
24.	Uttar Pradesh	301.4	51.43	73.50	60.3
25.	West Bengal	201.6	10.21	12.46	40.3
Total		35.13	500.84	584.06	703
Total UTs		-	0.45	0.41	-
All India Total		3513	501.29	584.47	703

Upper Indravati Irrigation Project of Orissa

3809. SHRI CHINTAMANI JENA:
SHRI RADHAKANTA DIGAL:

Will the Minister of WATER RESOURCES be pleased to state:

(a) when was the work of Upper Indravati Irrigation Project Started;

(b) the time limit for its completion;

(c) the progress made so far and the reasons for lagging behind the time schedule; and

(d) the steps being taken to complete the project within the time schedule?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (d). Progress in major components of Upper Indravati Irrigation Project started in full force in 1984, is about 25% as a whole. Due to the constraint of resources, it is likely to be completed in 1993.

Loans Sanctioned by State Bank of Saurashtra under SEPUP

3810. SHRI HAROOBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of Saurashtra has sanctioned loans under SEPUP to the extent of Rs. 500/- only per beneficiary as against the projected loan of Rs. 5,000./-;

(b) whether Government consider the amount of Rs. 500/- sufficient to buy cloth and sewing machines for which the loan is supposed to have been advanced; and

(c) the steps taken by Government to ensure that the loan amount advanced in such cases is adequate?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) State Bank of

Saurashtra has reported that under Self-Employment Programme of Urban Poor (SEPUP) one of its branch at Ahmedabad has sanctioned all the loans under the programme as recommended by Local Committee of Bankers except one beneficiary wherein the loan of Rs. 500/- has been disbursed as against recommendation of Rs. 1,500/- for purchase of sewing machine and Rs. 500/- for the purchase of cloth. At the time of pre-sanction inspection when it was observed that the beneficiary was already having a sewing machine, the loan for the purchase of cloth only was sanctioned. In another case in another branch Rs. 500/- has been disbursed as against the recommendation of Rs. 2,000/- to a vendor as requested by the beneficiary.

(b) State Bank of Saurashtra has reported that the loan amount of Rs. 500/- for the purchase of cloth is considered sufficient to carry out gainful activity by the beneficiary.

(c) Reserve Bank of India (RBI) has reported that as per provisions of SEPUP, unit cost of each activity to be undertaken is fixed locally by the "Bankers' Committee" for each metropolitan/urban/semi-urban centres constituted under the Programme. Assistance upto Rs. 5,000/- depending on the unit cost is available to eligible beneficiary for undertaking the proposed activity.

Promotion from Officer MMGS-II to MMGS-III in State Bank of Bikaner and Jaipur

3811. SHRI MOHD. AYUB KHAN:
SHRI LALA RAM KEN:
SHRI R.P. SUMAN:

Will the Minister of FINANCE be pleased to state:

(a) whether any SC/ST member was included in the interview Board Constituted for promotions from Officer MMGS-II to MMGS-III in the State Bank of Bikaner and Jaipur; and

(b) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). State Bank of Bikaner & Jaipur has reported that it did not include a member belonging to the Scheduled Caste/Scheduled Tribe communities in the interview Board constituted in May/June, 1987 for the purpose of promotion from Middle Management Grade Scale-II to Middle Management Grade Scale-III within the Officers' cadre of the bank under the mistaken impression that it was not required to be done in cases of promotions based on Selection in which there are no reservations. The Bank has since been advised that the instructions on the subject are applicable in all such promotions also where certain concession are available for Scheduled Castes and Scheduled Tribes even though there are no specific reservations for them.

Refinancing of loans given for purchase of agricultural pump sets by NABARD

3812. DR. V. VENKATESH: Will the Minister of FINANCE be pleased to state:

(a) whether the National Bank for Agriculture and Rural Development propose to extend refinance facility against loans given to farmers for purchase of agricultural pump sets; and

(b) if so the broad features thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) National Bank for Agriculture Rural Development (NABARD) has been providing refinance facilities to credit institutions against the loans given by them to farmers for the purchase of agricultural pump sets.

(b) Farmers are given loans by banks for purchase of agricultural pump sets at a concessional rate of interest of 10% per annum. The repayment period is fixed on the basis of incremental income to be derived from the investment subject to a maximum period of 9 years. The loan is to be repaid by way of annual instalments. In

case of investment for dug well with pump set necessary grace period of 23 months is allowed before repayment commences and a maximum period of 15 years is allowed (including gestation period) for repayment of bank loan.

Opening of Nationalised Banks branches in Karnataka

3813. DR. V. VENKATESH: Will the Minister of FINANCE be pleased to state:

(a) the number of branches so far opened by the nationalised banks in Karnataka;

(b) whether there is any plan to open more branches in the Eighth Five Year Plan; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank of India (RBI) has reported that 3975 branches of commercial banks, including Regional Rural Banks (RRBs), were functioning in Karnataka as at the end of September, 1987. Under the current Branch Licensing Policy for 1985-90 (co-terminus with Seventh Five Year Plan period), RBI has allotted 329 centres to commercial banks, including RRBs, for opening branches in Karnataka as per details given below:--

Rural and Semi-Urban	237
Urban	55
Metropolitan/Post Town	37
Total:	329

Banks are expected to open their branches at the centres allotted to them in a phased manner during the remaining period of the current branch expansion programme. The opening of Bank branches is an ongoing process, however, branch ex-

pansion policy for the Eighth Five Year Plan has not been formulated as yet.

Hike in Textile Price

3814. SHRI V. SREENIVASA PRASAD:
SHRI DHARAM PAL SINGH

MALIK:

SHRI PRAKASH CHANDRA:

SHRI SUBHASH YADAV:

SHRI B.L. SHAILESH:

SHRI M. RAGHUMA REDDY:

SHRI BANWARI LAL PUROHIT:

SHRI KALI PRASAD PANDEY:

SHRIMATI PATEL RAMABEN

RAMJIBHAI MAVANI:

SHRI U.H. PATEL:

Will the Minister of TEXTILES be pleased to state:

(a) whether there has been an alarming spurt in textile prices in the country during the last three months;

(b) whether it is a fact that the National Textile Corporation has increased the price of Janata cloth also;

(c) whether it is also a fact that the poor people have been severely affected due to hike in textile prices; and

(d) if so, the reaction of Union Government in this regard?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) No, Sir.

(b) NTC produces controlled cloth. There has been no increase in the price of controlled cloth after 1st October, 1987.

(c) No, Sir.

(d) Does not arise.

Modernisation of Azamjahi mill in Andhra Pradesh

3815. SHRI MANIK REDDY:

SHRI M. RAGHUMA REDDY:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Union Government propose to formulate a plan for modernisation of Azamjahi mill at Warangal in Andhra Pradesh;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) to (c). Modernisation is a continuous process. As on date, an amount of Rs. 3.36 crores has been spent by NTC on modernisation/renovation of Azamjahi Mill.

[Translation]

Irrigation schemes of Chhota Nagpur of Bihar

3816. SHRI YOGESHWAR PRASAD YOGESH: Will the Minister of WATER RESOURCES be pleased to state:

(a) the number of irrigation schemes of Chhota Nagpur region of Bihar which are under consideration of his Ministry and since when; and

(b) the reasons for delay in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). Comments on 8 irrigation schemes, included in the current plan, have been sent to the State Government for compliance.

Technical posts in Central Water Commission

3817. SHRI YOGESHWAR PRASAD YOGESH: Will the Minister of WATER RESOURCES be pleased to state:

(a) the number of technical posts created/upgraded in the headquarters of the Central Water Commission and the number of non-technical posts rendered surplus or abolished;

(b) the reasons therefor;

(c) the decision taken on the complaints

received against rendering the administrative posts surplus or keeping them vacant and creating and upgrading the technical posts; and

(d) the arrangements made to streamline the functioning of the Commission's office and to ensure that only administrative employees are posted or transferred on administrative posts?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). Six Posts of Chief Engineer and 23 posts of Director were created in lieu of 14 posts of Deputy Director and 38 posts of Assistant Directors which were abolished as a result of the cadre review of Central Water Engineering (Group A) Service. Subsequently, as a result of critical review of the working of Central Water Commission, 186 non-technical posts were abolished.

(c) Since the critical review and the cadre review were taken up in pursuance of the Government decision and were carried out after taking into consideration all the aspects of matter, there was no case for review.

(d) Every effort is made to post administrative employees on the administrative posts.

[English]

Schemes for Award winning export firms

3818. CH. RAM PARKASH: Will the Minister of COMMERCE be pleased to state:

(a) whether the Associated Chamber of Commerce and Industry of India has suggested to Government to initiate a scheme to grant special facilities to the award winning export firms so as to provide them sufficient encouragement with a view to increase foreign exchange earnings; and

(b) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINI-

STRY OF COMMERCE (SHRI P.R. DAS-MUNSI): (a) and (b). This suggestion was put forward at a Workshop held by ASSOCHAM in October, 1987. However, the Government already has a Scheme for National Export awards for outstanding export performance. Under this scheme outstanding exporters are given awards of Trophies and Certificates of Merit in appreciation of the efforts made by them for promoting exports from India.

Loans advanced by State Bank of Indore under 20-Point programme

3819. SHRI RAJ KUMAR RAI: Will the Minister of FINANCE be pleased to state:

(a) the number of persons granted loans by the State Bank of Indore under the 20-Point Programme during the last two years;

(b) out of the amount so granted, how much was given as subsidy and how much as loan;

(c) the amount earmarked for this purpose during the current financial year; and

(d) the amount spent during the first quarter of the current financial year and on how many families?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). The information is being collected and will be laid on the Table of the House to the extent available.

[Translation]

Court cases against employees of State Bank of Indore

3820. SHRI RAJ KUMAR RAI: Will the Minister of FINANCE be pleased to refer to reply given on 11 December, 1987 to Unstarred Question No. 5429 regarding pending court cases of State Bank of Indore and state:

(a) whether the requisite information has since been collected;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) The information is set out in the statement below.

(c) Does not arise.

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN

STATEMENT

The figures indicated in reply to Starred Question No. 4 dated 6.11.1987 are progressive and should not be added, as would be clear from the following table.—

		(Rs. in lakhs)					
		1983		1984		1985	
		No. of Civil Cases	Amount involved	No. of Civil Cases	Amount involved	No. of Civil Cases	Amount involved
i)	Pending at the beginning of the year (i.e. brought forward)	322	236 10	409	504.77	531	1197 24
ii)	Added during the year	138	280 56	242	705 06	250	138.28
iii)	Total (i) & (ii)	460	516.66	651	1209.83	781	1335.52
iv)	Lost during the year	-	-	-	-	-	-
v)	Won and decreed during the year	51	11.89	120	12.59	187	71.40
vi)	Pending at the end of the year	409	504.77	531	1197.24	594	1264.12

The position about Criminal Cases for the year 1983, 1984 & 1985 is as under:-

i)	Pending at the beginning of the year (i.e. brought forward)	-	-	-	-	3	53 41
ii)	Added during the year	-	-	3	53.41	5	2.66
iii)	Total (i) & (ii)	-	-	3	53.41	5	56.07
iv)	Lost during the year	-	-	-	-	-	-
v)	Won and decreed during the year	-	-	-	-	-	-
vi)	Pending at the end of the year	-	-	3	53.41	5	56.07

Since no Civil or Criminal Case has been lost by the Bank in the year 1983, 1984 and 1985, the question of taking action against any official/employee does not arise.

The number of Civil and Criminal Cases registered since 1986 and the amount involved therein is as under :-

1. (i) No. of Civil Cases	1310
(ii) Amount involved	Rs. 680.42 lakhs
2. (i) No. of Criminal Cases lodged with Police/CBI	25
(ii) Amount involved	Rs. 30.10 lakhs

Since the cases have not been finalised, the involvement of any employee cannot be determined at this stage.

Release of Cauvery Water to Tamil Nadu

3822. SHRI NARSING SURYAWANSHI: Will the Minister of WATER RESOURCES be pleased to state:

[English]

Import duty on spares of outboard motors

3821. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether any representation has been received from the Government of Kerala for reducing the import duty on spares of outboard motors used mainly by the poor traditional fishermen of Kerala;

(b) the decision taken by Union Government in this regard; and

(c) whether Government propose to increase the subsidy available to fishermen on these outboard motors; if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). Yes, Sir. The representation was sent to the administrative Ministry concerned for their views and the said representation with comments of the said Ministry have been received back recently.

(c) There is no proposal at present to increase the subsidy on outboard motors.

(a) whether Government of Tamil Nadu requested the Karnataka Government for the release of 10 TMC feat of Cauvery water to save the standing crops in the Delta region;

(b) whether Government of Tamil Nadu requested Union Government also to intervene in the matter to persuade the Karnataka Government to accede to the request; and

(c) if so, the outcome of the said efforts?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). Yes, Sir.

(c) 4 TMC of water has been released by Karnataka.

Irrigation projects in Karnataka

3823. SHRI NARSING SURYAWANSHI: Will the Minister of WATER RESOURCES be pleased to state:

(a) the number of irrigation project in Karnataka since completed and are due for commissioning shortly;

(b) the number of irrigation projects in

that State which are on-going as on 31 December, 1987;

(c) the present position of work and cost in respect of upper-Krishna, Malabarabha, Harangi, Hemavati, Kabini and Ghatprabha irrigation projects; and

(d) the time by which these are to be completed ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). Two major and 23 medium projects have been completed so far and 12 major and 12 medium projects are on-going.

(c) The present position of the six projects is given below:

Name of Project	Latest Estimated Cost	Anticipated Expenditure upto 1987-88 (Rs. in crores)
Upper Krishna	1071.18	500.49
Malabarabha	307.35	209.19
Ghatprabha (Stage III)	370.50	91.74
Harangi	122.00	102.41
Hemavati	588.00	284.97
Kabini	390.00	130.14

(d) The time by which the projects are completed depend upon the priority assigned by the State Government for provision of adequate funds etc.

Tax Burden on Publishing Industry

3824. SHRI NARSING SURYAWANSHI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that excessive excise and import duties have had an adverse effect on the publishing industry;

(b) whether it is also a fact that while there is no duty on the import of books, heavy import duties on various inputs like papers, inks and glues have put the Indian Book Industry at a distinctive disadvantage; and

(c) if so, what steps have been taken or are proposed to be taken to improve the position of this Industry?

THE MINISTER OF STATE IN THE DE-

PARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). The excise and import duties on various inputs for the publishing industry are not considered as excessive. The prevailing rates of duty on various inputs like papers, inks and glues have been fixed taking into account factors such as international and domestic prices interests of domestic producers and consumers.

(c) Does not arise.

[Translation]

Groundnut Export

3825. SHRI RAM PUJAN PATEL: Will the Minister of COMMERCE be pleased to state:

(a) the names of the countries to which groundnut exported during 1985 to 1987 indicating the quantity thereof yearwise;

(b) the terms and conditions of this export;

(c) the impact of the groundnut export on the country;

(d) whether India imports oil seeds; and

(e) if so, the reasons for exporting groundnut without meeting the requirement of oilseeds in the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Exports of HPS groundnuts during 1985-86 and 1986-87, as per provisional data compiled by the Indian Oil & Produce Exporters Association, Bombay, are estimated at 8981 tonnes and 29496 tonnes respectively. Exports to USSR during 1985-86 and 1986-87 were of the order of 8461 tonnes and 25466 tonnes respectively. Small quantum of exports were also made to Japan, UK, F.R. Germany, Holland, Yugoslavia etc. during 1986-87.

(b) Groundnuts, including HPS variety (both in Shell and Kernels) is allowed for export under OGL-3. No specific terms of export are stipulated. While exports to GCA are against 100% letter of credit, the export to Rupee Payment Currency Areas have been permitted against 98% irrevocable letter of credit subject to balance 2% being repatriated within six months from the date of shipment of the first consignment.

(c) As exports of groundnut constitute less than one percent of production of the country, the impact of the same is insignificant.

(d) Commercial imports of oilseeds are not permitted.

(e) Does not arise.

[English]

Credit flow to Minorities

3826. SHRI G.M. BANATWALLA: Will the Minister of FINANCE be pleased to state:

(a) whether the lead banks in each of the 40 identified districts with concentra-

tion of minorities have appointed special officers as advised by RBI exclusively to look into (i) credit flow to minorities and (ii) to monitor bank appointments to secure due participation of minorities;

(b) details of implementation of above guideline indicating the number of banks who have made appointments of special officers and the districts to which they relate;

(c) the details of steps taken by the aforesaid lead banks to ensure better flow of credit to minorities indicating also steps taken for study of their needs and help offered in evolving bankable proposals;

(d) the details of steps being taken by government to ensure implementation of guidelines given to the lead banks in the identified districts; and

(e) whether Government propose to appoint an exclusive cell to monitor implementation of their guidelines?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The Reserve Bank of India (RBI) has informed that in each of the 40 identified districts the banks having lead responsibility have appointed special officers to look into the flow of credit to members of minority communities. The lead banks for these 40 districts are indicated in statement given below. Further the banks have appointed liaison officers in these districts with a view to monitor the appointments of persons belonging to such communities.

(c) and (d). Banks have also been advised to take following steps for augmenting flow of credit to minority communities:

- (i) A special cell be set up in each bank to monitor the progress.
- (ii) Progress made in providing credit to the minority communities be reviewed regularly at the meetings of the District Consultative Commit-

- tees (DCCS)/State Level Bankers Committees (SLBCs).
- iii) Publicity be given about various anti-poverty programmes of the Government wherever there is a large concentration of minority communities and particularly in 40 identified districts.
- iv) Special designated officers to publicise among the minority communities various programmes of bank credit and also to prepare suitable schemes for their benefit in collaboration with branch managers.
- v) Priority sector advances granted by banks to the identified minority communities be reported in the prescribed proforma on a quarterly basis in respect of 40 identified districts and on half-yearly basis in respect of all the remaining districts.
- (e) The Government has also already set up a cell to monitor the appointment of minorities in pursuance of implementation of the guidelines regarding Prime Minister's 15 Point Programme for welfare of minorities.)

STATEMENT

List of showing the names of the Lead Banks in the identified 40 Districts

States	Districts	Lead Banks
1 ^a	2	3
Uttar Pradesh	1. Rampur	Bank of Baroda
	2. Bijnor	Punjab National Bank
	3. Moradabad	Syndicate Bank
	4. Saharanpur	Punjab National Bank
	5. Muzaffarnagar	-do-
	6. Meerut	Syndicate Bank
	7. Bahraich	Allahabad Bank
	8. Gonda	-do-
	9. Gaziabad	Syndicate Bank
	10. Pilibhit	Bank of Baroda
	11. Deoria	Central Bank of India
	12. Barabanki	Bank of India
	13. Basti	State Bank of India
West Bengal	14. Murshidabad	United Bank of India
	15. Malda	-do-

1	2	3
	16. West Dinajpur	United Bank of India
	17. Birbhum	UCO Bank
	18. Nadia	United Bank of India
	19. 24 Parganas (South) -do- (North)	-do- Allahabad Bank
	20. Cooch-Bihar	Central Bank of India
	21. Howrah	UCO Bank
Kerala	22. Mallappuram	Canara Bank
	23. Kozhikode	-do-
	24. Cannanore	Syndicate Bank
	25. Palghat	Canara Bank
	26. Wyanad	-do-
Bihar	27. Purnea	Central Bank of India
	28. Katihar	-do-
	29. Darbhanga	-do-
Karnataka	30. Bidar	State Bank of India
	31. Gulbarga	-do-
	32. Bijapur	Syndicate Bank
Maharashtra	33. Greater Bombay	Bank of Maharashtra
	34. Aurangabad	-do-
Andhra Pradesh	35. Hyderabad	Andhra Bank
	36. Kurnool	Syndicate Bank
Haryana	37. Gurgaon	Syndicate Bank
Madhya Pradesh	38. Bhopal	Bank of India
Rajasthan	39. Jaisalmer	State Bank of Bikaner and Jaipur
Gujarat	40. Kutch	Dena Bank

RBI limit of Bank Deposits earmarked for Construction Business

3827. SHRI G.M. BANATWALLA: Will the Minister of FINANCE be pleased to state:

(a) whether there is any RBI limit of bank deposits earmarked for the construction business;

(b) if so, the present limit in terms of percentage of bank deposits;

(c) when was this present limit fixed; and

(d) whether Government propose to increase this limit and if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India have reported that they have not issued instructions earmarking any specific limit of bank deposits for construction business. The banks extend demand loan, cash credit, overdraft and guarantee facilities to the builders for construction activities on the merits of each case.

(b) to (d). Do not arise.

LIC Scheme under international year for Shelter

3828. SHRI RAM BAHADUR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Life Insurance Corporation has submitted a scheme under international year for shelter for the people at large;

(b) if so, the details of this scheme and when it was submitted to Government for clearance;

(c) whether Government have assessed the benefits of the scheme to LIC policy holders, existing and prospective; and

(d) whether there will be any reserva-

tion in the scheme for the employees of the Life Insurance Corporation?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) to (d). Do not arise.

Check on Seepage in Canals and Channels

3829 SHRI JITENDRA PRASADA: Will the Minister of WATER RESOURCES be pleased to state:

(a) the steps being taken to check seepage of water in canals and water channels;

(b) whether the cheapest method to check seepage in canals and channels is to line them with Polythene;

(c) the other methods adopted to check seepage in canals and channels; and

(d) the time by which seepage can be checked in the canals and channels of the entire country?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) The Steps being taken by the State Governments for reducing seepage losses include lining in canal reaches experiencing excessive seepage, better water management practices and introduction of suitable canal operation schedules.

(b) and (c). The various types of lining include brick lining, tile lining, cement concrete lining, stone masonry lining and polythene lining. The economics of each alternative depends upon the local conditions.

(d) Efforts are being made by the State Governments to reduce excessive losses due to seepage.

[Translation]

Curtailment of Government Expenditure

3830. SHRI SARFARAZ AHMAD:
DR. CHANDRA SHEKHAR
TRIPATHI:
SHRI VILAS MUTTEMWAR:
SHRI SOMNATH RATH:

Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to take steps to curtail Government expenditure, and if so, the reasons therefor;

(b) the broad details in regard to the cut being effected in Government expenditure, and the time by which this cut in the expenditure will be made effective;

(c) whether Government propose to ban the use of airconditioners in Government offices in order to effect a cut in official expenditure and save electricity;

(d) if so, the level of the officers to whom it will apply;

(e) whether Government also propose to withdraw the LTC facility provided to Government employees, if so, whether any orders in this regard are likely to be issued; and

(f) the total amount likely to be saved?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) and (b). Government have been continuously making efforts to curb inessential and non-productive expenditure. Efforts are made through work measurement studies conducted by the Staff Inspection Unit of the Ministry of Finance/Internal Work Study Units in various Ministries/Departments to identify and locate surplus staff and prevent creation of avoidable posts.

Measures have also been taken to curb office expenses like those on telephone,

staff car, consumption of petrol, foreign travel and performance of air journey by non-entitled officers.

(c) No such proposal is under consideration of the Government.

(d) Does not arise in view of answer to (c) above.

(e) No such proposal is under consideration of the Government.

(f) Does not arise in view of answer to (e) above.

[English]

Position of Trade Deficit

3831. PROF. MADHU DANDAVATE:
SHRI ANANDA PATHAK:
DR. SUDHIR ROY:
SHRI KALI PRASAD PANDEY:

Will the Minister of COMMERCE be pleased to state:

(a) the latest position of trade deficit;

(b) whether it has adversely affected India's balance of payments position; and

(c) what steps are being taken to reduce the trade deficit?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAMUNSI): (a) According to the latest provisional trade statistics, India's trade deficit during the first ten months of the current financial year i.e. April-January, 1987-88 amounted to Rs. 5425.49 crores as compared to Rs. 5834.14 crores during April-January, 1986-87.

(b) Despite the decline in trade deficit during April-January, 1987-88 as compared to April-January, 1986-87, the high level of trade deficit continues to exert pressure on the balance of payments position of the country.

(c) In order to contain the trade deficit the Government have taken a number of

steps for export promotion and efficient import substitution. The Export promotion measures have been designed to generate capacities for export production, to make our products competitive in cost, quality and technology and to make exports profitable. Simultaneously, the Government have also taken steps to promote import substitution, particularly of bulk imports.

Rate of interest on Deposits of Bank Employees

3832. SHRI SANAT KUMAR MANDAL: Will the Minister of FINANCE be pleased to state:

(a) whether the All - India Bank Depositors' Association, a Bombay based consumers protection body, has urged the Indian Banks Association to discontinue the policy of permitting a higher rate of interest on deposits not only to the bank employees in service but even to the former employees of banks enjoying the same benefit;

(b) whether this practice has led to the undesirable institution of "benami" holding of deposit accounts in the name of bank employees; and

(c) if so, the steps Government propose to take to stop this payment of higher rate of interest to the bank employees, both present and former?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The Indian Bank's Association has informed that the Bombay based All India Bank Depositors Association has not formally written to them regarding the payment of higher rate of interest to Staff/Ex-Staff of banks. However, in Banker-borrowers meetings organised by the Indian Merchants Chamber (IMC), Federation of Indian Chamber of Commerce and Industry (FICCI) etc. their representative did raise the matter.

(b) and (c). The Indian Bank Association (IBA) has reported that for availing benefit of additional interest rate an employee has

to make a declaration that the funds belong to him only. The staff accounts are subjected to detailed scrutiny and international audit to ensure that the savings are not disproportionate to the known sources of income. The facility has been in existence for a number of years. There is no proposal under consideration of the Government to discontinue it.

Losses to MMTC in Iron Ore Export

3833. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether his attention has been invited to the news-item captioned "MMTC to incur Rs. 22 crore loss on iron ore exports" appearing in the 'Financial Express', New Delhi dated 22nd February, 1988;

(b) if so, the reasons for such a loss being suffered by the Minerals and Metals Trading Corporation (MMTC) during the current financial year;

(c) the loss sustained by the MMTC on this account last year; and

(d) the steps Government propose to take to prevent such recurring losses being sustained on iron ore exports?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS-MUNSI): (a) Yes, Sir.

(b) and (c). MMTC Sustained a trading loss of Rs. 5.14 crores in 1986-87 on iron ore exports. During 1987-88 too, it will incur losses due to:

- (i) Depressed international market for iron ore leading to price cuts varying from 4% to 5%.
- (ii) Increase in procurement price of mine owners/suppliers due to increase in transportation cost, minimum wage payable to labour and additional investment required for producing iron ore.
- (iii) Lower exports to Romania.

- (iv) High rates of railway freight and export charges.

(d) The steps being taken to reduce losses are as under:

- (i) Additional investment for development of infrastructural facilities at ports, rail movement and development of mines on scientific basis.
- (ii) Construction of Baspani/Diatry railway line so as to cut down cost of railway freight and consequent losses on export through Paradip.
- (iii) Development of Paradip Port to receive 170,000 DWT vessels so as to increase the loading rates of vessels at Paradip.

Committee of NRIs on Foreign Trade

3834. SHRIMATI BASAVARAJESWARI:
SHRI VAKKON
PURUSHOTHAMAN:
SHRI V. TULSIRAM:
SHRI YASHWANTRAO GADAKH
PATIL:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have decided to set up a high level committee of non-resident Indians for promoting India's foreign trade;

(b) if so, the main functions of the Committee,

(c) by what time the Committee would submit the report; and

(d) to what extent the foreign trade will get a boost by the participation of the non-resident Indians?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R.DAS-MUNSI): (a) Yes, Sir.

(b) A statement is given below.

(c) and (d). The Committee will suggest on a continuous basis, suitable measures to enlist active cooperation of non-resident Indians living abroad for promotion of India's foreign trade.

STATEMENT

Terms of reference of high level Committee of Non-Resident Indians abroad for promoting India's foreign trade.

- (1) To promote exports of Indian goods and services, technology and project management services to foreign Countries.
- (2) To provide a forum for exchange and dissemination of information about export potential from India.
- (3) To suggest measures for strengthening of trade exchanges between India and foreign countries.
- (4) To suggest suitable market strategies for promotion of Indian products.
- (5) To suggest market surveys for identified exportable commodities from India to foreign countries
- (6) To have close liaison with the various export promotion organisations in the country and other chambers of commerce for developing better understanding of Indian trading environment and potential for exports.
- (7) To keep close contact with trade and economic sections of the Indian Missions abroad for collecting information about the import requirements of foreign countries in regard to different commodities for dissemination to Indian trading community.
- (8) To provide feed back to the Government for policy formulations relating to export assistance and promotion in regard to different

countries and different products or product groups.

- (9) To suggest such measures as are necessary in getting regularly market information like prices, quality, market preferences in terms of tests and demands for Indian goods.
- (10) To suggest commercial publicity programmes suited to overseas markets for Indian products.

Domestic Market for Non-Traditional Jute Products

3835. SHRIMATI BASAVARAJESWARI: Will the Minister of TEXTILES be pleased to state:

(a) whether Union Government are finalising a three year subsidy scheme to promote domestic marketing of non-traditional jute products with the help of Manufacturers Development Council;

(b) if so, the details of the norms fixed in this regard; and

(c) when the scheme is likely to be introduced?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) to (c). Proposals for Internal Market Assistance Scheme for Development and Promotion of Diversified Jute products are under consideration of the Govt. The scheme is proposed to be implemented by the Jute Manufactures Development Council and fund would be made available to JMDC for disbursement from out of the Jute Special Development Fund.

Utilisation of Consultancy Agency Services

3836. SHRIMATI BASAVARAJESWARI: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government are contemplating to utilise the services of specialised

consultancy agencies in a more effective manner so that water resources development keep pace with planned objectives;

(b) if so, whether it is proposed to create special fund for requisitioning the service of such organisations; and

(c) whether State Government have been consulted in the matter with response thereto?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (c). The Ministry of Water Resources has one Public Sector Enterprise namely, Water and Power Consultancy Service Ltd. This Organisation has been set up as the nodal agency to provide consultancy services and is equipped to undertake any type of technical services connected with water resources development. The consultancy services are provided by expertise drawn from outside as well as from within the company. The company provides consultancy services to the State Governments also. No special fund for requisitioning the services of the Organisation is proposed to be created.

IMF Fund for poorest Nations

3837. SHRIMATI BASAVARAJESWARI: Will the Minister of FINANCE be pleased to state:

(a) whether the International Monetary Fund announced setting up of a special fund to help its poorest member nations to meet their financial obligations;

(b) if so, whether this new fund was proposed during the last year;

(c) whether any amount was drawn by India from this fund;

(d) the names of countries which have been provided loan from this fund; and

(e) whether India has asked the IMF to provide funds to India?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN

THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The IMF has established in December 1987 an Enhanced Structural Adjustment Facility (ESAF) to provide new concessional resources totalling SDR 6 billion to help the poorest member-countries undertake strong macroeconomic and structural programmes to improve their balance of payments positions and foster growth.

(c) and (d). India is one of the 62 eligible member countries under ESAF. No country has so far drawn any loan under ESAF.

(e) No, Sir.

Incentives to 100 Per Cent EOUs

3838. SHRI C. MADHAV REDDI: Will the Minister of COMMERCE be pleased to state the incentives announced recently for 100 per cent export oriented units (EOUs) and their impact on the export front?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS-MUNSI): The following measures have been recently announced by the Government with a view to improving the operational viability of 100% Export Oriented Units and strengthen their export capability:

- (i) With the prior permission of Government on a case by case basis, sale upto 25% of the production in the Domestic Tariff Area subject to the payment of appropriate duties;
- (ii) Extension of tax holiday for any continuous block for 5 years within 8 years of the commencement of production;
- (iii) Permission to sub-contract a part of the production for job-work to units in the domestic tariff area on a case by case basis;
- (iv) Reduction of bonding charges for individual units having bonding arrangements from the level of 150% to 100% of the cost of customs staff;

- (v) Exemption from the operation of Export Control Order on a case by case basis.

Investment and Deposits by NRI

3839. SHRI C. MADHAV REDDI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have formulated any new proposals to encourage investments and deposits by Non-resident Indians; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) Government have decided to introduce a new scheme of Foreign Currency denominated Bonds/Deposit Certificates for Non-Resident Indians on a non-repatriable basis. The maturity period of these Bonds/Deposit Certificates will be 7 years and these will carry an interest rate higher than that applicable to the repatriable foreign currency non-resident deposits. These Bonds/Deposits will be free from Income tax, Wealth tax and Gift tax.

Indian Joint Ventures under Production and Implementation

3840. SHRI BHADRESWAR TANTI: Will the Minister of COMMERCE be pleased to state:

(a) whether any Indian Joint Ventures abroad are under production and under implementation as on 31 December, 1987; and

(b) if so, the details thereof, country-wise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS-MUNSI): (a) Yes, Sir.

(b) There are 182 joint ventures abroad as on 31.12.87. Out of them 158 are in op-

eration and 24 under implementation. Countrywise details of joint ventures in operation/under implementation are as under: Malaysia (22/2), Sri Lanka (18/1), Singapore (14/0), Nigeria (13/2), UK (11/6), Indonesia (11/0), Thailand (9/1), UAE (8/0), Nepal (8/3), Kenya (8/0), USA (6/1), Saudi Arabia (4/1), Hongkong (3/0), Baharain (2/0), Oman (2/0), West Germany (2/1), Mauritius (2/2), Philippines (1/0), Tonga (1/0), Solomon Islands (1/0), Fiji (1/0), Australia (1/0), Gibraltar (1/0), Greece (1/0), Netherlands (1/0), Switzerland (1/0), Yugoslavia (1/0), Hungary (1/0), USSR (1/0), Egypt (1/1), Uganda (1/0), Senegal (1/0), YAR (0/1), Seychelles (0/1), Bangladesh (0/1).

Flood Control Funds for Assam

3841. SHRI BHADRESWAR TANTI: Will the Minister of WATER RESOURCES be pleased to state:

(a) the amount projected by Assam Government in the draft Seventh Five Year Plan for flood control works for the Brahmaputra Valley;

(b) whether the projected amount was reduced by fifty percent by Union Government;

(c) whether any memorandum was submitted by Assam Government for enhancement of financial assistance; and

(d) if so, the facts thereof?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). Against Rs. 150 crores projected by the Government of Assam for flood management works, an outlay of Rs. 70 crores was included in the VII Plan.

(c) and (d). Yes, Sir. The Memorandum submitted in October, 1987 sought central loan assistance of Rs. 300 crores.

Export of sugar and food articles

3842. SHRI BHADRESWAR TANTI: Will

the Minister of COMMERCE be pleased to state:

(a) whether India has been exporting sugar and other food articles;

(b) if so, the details thereof;

(c) whether any items were imported against the export from those countries; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (d). Export of sugar by S.T.C. in fulfilment of EEC/US quotas and to some neighbouring countries during 1987-88, is estimated at 0.22 lakh tonnes valued at Rs. 13.95 crores. Nothing was imported by STC against export of sugar. NDDB is getting a commodity assistance of 2305 MT of butter oil from the USA under the U.S. Sugar Quota Compensation Programme. STC, during 1987-88, also exported 2.82 lakh tonnes of wheat valued at Rs. 35.38 crores, 39,391 tonnes of Basmati rice valued at Rs. 36.94 crores, and other processed food items estimated at Rs. 15.62 crores. Against some of these exports, STC imported edible oils and chemicals etc. Against import contracts concluded, MMTC exported food articles worth Rs. 89.31 crores (approximately) during 1987-88. Destinations of export goods were not necessarily the same as the country of origin of the imported commodities.

Smuggling across Indo-Bangladesh Border

3843. SHRI BHADRESWAR TANTI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that smugglers have been actively engaged in smuggling across Indo-Bangladesh border during the last three years; and

(b) if so, the measures taken to stop these activities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Reports received and seizures effected indicate that the Indo-Bangladesh border continues to be sensitive to smuggling. The value of seizures effected on the Indo-Bangladesh border during the last three years is given below:-

Year	Value (Rs. in lakhs)
1985	404
1986	519
1987	657

(b) The anti-smuggling drive throughout the country including the Indo-Bangladesh border has been intensified and the anti-smuggling machinery along the Indo-Bangladesh border has been geared up. Close co-ordination is maintained between all the agencies concerned in the detection and prevention of smuggling.

[Translation]

Import of Gold by MMTC

3844. SHRI DILEEP SINGH BHURIA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that the Minerals and Metals Trading Corporation of India has not been able to import gold for the last two years though the permission of the Reserve Bank therefor had been obtained;

(b) whether the scheme of exporting gold ornaments has been held in abeyance as a result thereof; and

(c) if so, the action being taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (c). The Scheme for Minerals and Metals Trading Corporation of India

to stock gold in export processing zones and special export-oriented jewellery complexes for the manufacturing units thereto have access to it as raw material for export production of jewellery has been under consideration of Reserve Bank of India among different Government Departments and agencies for the last few months, for detailed procedures to be evolved and terms to be finalised for satisfactory implementation of the scheme. Exports of gold jewellery have not been held in abeyance pending the implementation of this scheme.

[English]

Export of iron ore from Paradip

3845. SHRIMATI JAYANTI PATNAIK: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware of the serious crisis being faced by the iron ore mining industry in Orissa due to lack of export orders for local iron ore;

(b) the reasons for decline of such export from Paradip Port; and

(c) the steps taken to ensure that export of iron ore from Paradip Port is maintained at high level in order that the iron ore mines in Orissa do not stop operation leading to large scale unemployment among the tribal labourers?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). During 1987-88 (April Feb.) 16.24 lakh tonnes of iron ore have been shipped from Paradip Port in Orissa as against 17.91 lakh tonnes during the corresponding period of 1986-87. This is because of the lack of infrastructural facilities at Paradip Port to handle large vessels and the resultant increase in freight and the landed cost and lower exports to Romania.

(c) Following steps have been taken to promote exports of iron ore from Paradip Port in the long run.

(i) Provision of incentives by way of

additional discount in iron ore prices to induce major buyers to increase offtake from Paradip Port.

- (ii) Diversification of exports through Paradip Port to countries such as Bulgaria and China.
- (iii) As against present capacity to accommodate vessels of upto 55,000 DWT, proposal is to deepen the port for handling vessels of upto 1,70,000 DWT class. The proposal has already been approved in principle.
- (iv) Construction of Bansapani-Daitari railway line so as to reduce the haulage cost by nearly 50% and thereby reducing losses on export of iron ore through Paradip.
- (v) Extension of benefits of 100% export oriented units scheme to mining industry by the Government.

However, due to depressed market conditions in the international market, exports from this port may not go up in the short run.

[Translation]

Apples and fruits export from H.P. and J&K

3846. SHRI K.D. SULTANPURI: Will the Minister of COMMERCE be pleased to state:

(a) the value of the apples and other fruits exported from Himachal Pradesh and Kashmir during the year 1987-88; and

(b) the names of the countries to which export was made?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) The value of fruits exported from India during the year April-November,

1987 is provisionally estimated at Rs. 26.20 crores.

This excludes exports of apples to Bangladesh which accounts for almost our entire export of apples. Since exports to Bangladesh go by surface route, the export figures are not published in the Customs' Daily list.

The export of fruits is done by merchant exporters on All India basis. State-wise export figures are not maintained.

(b) Apples and other fruits are mainly exported to countries in the Middle East viz., Saudi Arabia, United Arab Emirates, Bahrain, Kuwait and Bangladesh.

Bank Dacoities

3847. SHRI K.D. SULTANPURI: Will the Minister of FINANCE be pleased to state:

(a) the number of bank dacoities took place during 1987-88, State-wise;

(b) the number of bank employees involved therein; and

(c) the number of such employees who resisted the dacoits and the reward given to them by Government?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Information as reported by Public Sector Banks regarding number of bank robberies/dacoities which took place in various States/Union Territories of the country during the years 1987 and 1988 (upto 10.3.88), is given in the statement below.

(b) RBI has reported that no bank employee has been found to be involved in cases of bank robberies/dacoities which took place in the country during the years 1987 and 1988 (upto 10.3.88).

(c) As per available information, a sum of Rs. 5.75 lakhs has been paid by the Banks as reward/compensation to 13 employees who resisted/foiled the attempts

of the dacoits/robbers. In the event of death of the employee, the amount of the

reward/compensation has been paid to the next of kin of the deceased.

STATEMENT

Number of bank robberies/dacoities which took place in various States/Union Territories during the years 1987 and 1988 (upto 10.3.88) as reported by 28 Public Sector Banks.

Sl. No.	Name of the State/ Union Territory	No. of dacoities / robberies	
		1987	1988 (upto 10.3.88)
1.	Punjab	26	4
2.	Bihar	26	6
3.	Maharashtra	1	-
4.	Nagaland	1	-
5.	Manipur	1	-
6.	Gujarat	6	-
7.	West Bengal	4	-
8.	Assam	3	2
9.	New Delhi	1	-
10.	Tamil Nadu	3	-
11.	Uttar Pradesh	7	2
12.	Andhra Pradesh	2	-
13.	Madhya Pradesh	3	-
14.	Orissa	1	-
15.	Rajasthan	1	-
16.	Chandigarh	1	-
17.	Himachal Pradesh	1	1
18.	Kerala	2	-
19.	Jammu & Kashmir	1	-
20.	Haryana	-	1
		91	16

(Data Provisional)

Arrest of Smugglers

3848. SHRI K.D. SULTANPURI: Will the Minister of FINANCE be pleased to state:

(a) the number of smugglers arrested in the country during the year 1987-88; State-wise

(b) the amount recovered from them; and

(c) the number of such smugglers who have been awarded punishment by the court?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a). 1577 smugglers were arrested in the country during the financial year 1987-88 (upto February, 1988). State-wise figures are not maintained.

(b) Aproximately, Rs. 226.8 crores worth of smuggled goods were seized during the financial year 1987-88 (upto February, 1988).

(c) 578 persons were convicted by the

Courts during the financial year 1987-88 (upto February, 1988).

The above figures are provisional.

Reservation for SCs and STs in Banks

3849. SHRI K.D. SULTANPURI: Will the Minister of FINANCE be pleased to state:

(a) the number of banks in the country where the posts reserved for Scheduled Caste and Scheduled Tribe candidates have not been filled during the years 1987 and 1988 (so far) indicating the number of reserved posts lying vacant in each bank, separately; and

(b) the steps being taken to fill these vacancies?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) As per the available information reported by 23 of the 28 public sector banks, as on 31st December 1987, the following vacancies reserved for the Scheduled Castes and Scheduled Tribes had not been filled by the banks by such candidates.

1.	Direct Recruitment	Scheduled Caste	Scheduled Tribe
(i)	Officers Cadre	466	413
(ii)	Clerical Cadre	3369	3730
(iii)	Sub Staff Cadre	885	1365
2.	Promotions		
(i)	From Clerical to Officers Cadre	1419	1765
(ii)	Within Officers Cadre	262	134

Bank-wise breakup is given in the statement below.

(b) The Government has advised various measures to Public Sector Banks for clearing backlog in reserved vacancies for Scheduled Castes and Scheduled Tribes which, *inter-alia*, include:

- (i) conducting pre-recruitment and pre-promotion training programmes,
- (ii) relaxation in educational qualifications and standards of fitness,
- (iii) inclusion of a member belonging

to Scheduled Caste/Scheduled Tribe in the Selection Committee/Departmental Promotion Committee etc.

- (iv) conducting of special recruitment tests exclusively for Scheduled Castes and Scheduled Tribes, whenever necessary,
- (v) opening of examination Centres

nearer to the places of concentration of Scheduled Castes and Scheduled Tribes;

- (vi) placing of indents after including total backlog for Scheduled Castes and Scheduled Tribes subject to maximum reservation to the extent of 50% of the total vacancies in any recruitment year.

STATEMENT

Details of Un-Filled Vacancies Reserved for SCs and STs in Public Sector Banks as on 31.12.1987

Sl.No	Name of Bank	Un-filled Reserved Vacancies in										
		Direct Recruitment						Sub-Staff Cadre			From Clerical to Officer	
		Officers Cadre		Clerical Cadre		Sub-Staff Cadre		From Clerical to Officer		Promotions Within Cadre (if any)		ST
		SC	ST	SC	ST	SC	ST	SC	ST	SC	ST	
1	2	3	4	5	6	7	8	9	10	11	12	
1.	Central Bank of India	8	8	155	206	48	93	140	200			
2.	Bank of India	11	8	401	500	109	189	-	-	64	35	
3.	Punjab National Bank	6	41	271	264	107	81	64	171			
4	UCO Bank	37	28	121	68	41	44	NA	NA			
5.	Canara Bank	79	44	338	224	137	100	-	85			
6.	United Bank of India	18	11	155	104	82	75	4	36			
7.	Dena Bank	47	31	12	202	12	37	-	-			
8	Indicative Bank	2	45	59	110	32	34	2	35			
9.	Indian Bank	9	15	141	89	15	31	19	58			
10.	State Bank of Maharashtra	35	26	1	15	-	8	3	16	17	10	
11.	I.O. Bank	1	12	78	40	20	27	65	181	89		

1	2	3	4	5	6	7	8	9	10	11	12
12.	Punjab & Sind Bank	2	2	15	31	60	37	43	25		
13.	Corporation Bank	24	16	52	58	1	14	80	40		
14.	O.B.Commerce	6	6	6	28	7	5	109	50		
15.	Vijaya Bank	6	3	55	46	21	21	69	34		
16.	Allahabad Bank	40	41	107	90	37	66	52	105		
17.	New Bank of India	10	5	47	30	27	24	56	35		
18.	State Bank of India	64	35	911	1200	62	241	661	641		
19.	S.B.Indore	3	5	12	203	11	100	18	20		
20	S.B.Patiala	9	6	332	23	8	24	26	32		
21.	State Bank of Saurashtra	5	2	36	21	8	37	5	39		
22.	S.B.of Travancore	21	8	11	21	1	2	68	45		
23.	Union Bank of India	23	17	53	67	39	75	-	33		
Total		466	413	3369	3730	885	1365	1419	1765	262	134

Decline in Foreign Exchange Reserves

3850. SHRI K. RAMACHANDRA REDDI: Will the Minister of FINANCE be pleased to state:

(a) whether there is a sharp decline in foreign exchange reserves held by the Reserve Bank of India due to compulsion to step up the import of edible oil/pulses and other agricultural products;

(b) whether there was a drop of 12,000 crores of rupees between March 1987 and January 1988 in the foreign exchange reserves held by the Reserve Bank of India;

(c) the reaction of Government thereto; and

(d) whether any steps have been initiated to improve the foreign exchange held by the Reserve Bank of India?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO):(a) to (d). The foreign exchange reserves (excluding Gold and Special Drawing Rights) which stood at Rs. 7645.17 crores as on 31.3.87 declined to Rs.6360.06 crores as on 30.1.88 but have increased to the level of Rs. 6802.86 crores as on 11.3.88. The level of reserves is kept under constant review in the light of our balance of payment requirements.

[English]

Foreign Banks in India

3851. DR. B.L.SHAILESH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that most of the foreign banks in India do not have any capital of their own primarily because these

are branches of international banks with large assets;

(b) the names of foreign banks which are at present functioning in India and their annual turnover and the estimated annual profits which these branches repatriate as per latest information available with the Reserve Bank of India or his Ministry;

(c) whether Government are considering a proposal to ask foreign banks to bring in foreign currency resources as a back-up for their rupee operations; and

(d) if so, the broad outlines of this proposal?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO):(a) In terms of section 11(2) of the Banking Regulation Act, 1949, for a foreign bank having branch/branches in India, the aggregate value of the paid up capital and reserves shall not be less than Rs.15 lakhs and if it has a place or places of business in the city of Bombay or Calcutta or both, the aggregate value shall not be less than Rs.20 lakhs.

(b) Information relating to the names of the foreign banks presently operating in India, their total assets as at the end of December, 1986, the net published profits earned during the year 1986 and the current surplus repatriated by these banks to their head offices during 1985 is given in the statement below.

(c) and (d). Reserve Bank of India has reported that it has formulated certain proposals in this regard. However, no final decision has been taken on them.

STATEMENT

Name of the foreign banks presently operating in India, their total assets and the net published profits as at the end of December, 1986 and the current surplus repatriated by these banks to their head offices during 1985'

(Amount in crores of rupees)

S.No.	Name of the Bank	Total Assets (As at the end of December, 1986)	Net published profits	Current surplus repatriated to Head Office (during 1985)
1	2	3	4	5
1.	Grindlays Bank plc	1169	14.04	8.73
2.	Citi Bank N.A	636	8.35	
3.	Hongkong and Shanghai Banking Corporation	632	5.28	5.25
4.	Bank of America NT and SA	590	8.32	5.50
5.	Standard Chartered Bank	469	9.15	-
6.	American Express Bank Ltd.	386	5.00	1.00
7.	Bank of Credit and Commerce International (Overseas) Ltd.	295	8.84	-
8.	Bank of Tokyo Ltd.	204	3.76	1.07
9.	Banque Nationale de Paris	133	1.50	-
10.	British Bank of the Middle East	120	1.22	-
11.	Banque Indo-Suez	69	0.62	-
12.	Societe Generale	62	0.64	-
13.	Algemene Bank Nederland	61	1.00	1.01
14.	Deutsche Bank (Asia)	52	0.53	0.59
15.	Bank of Oman Ltd.	44	0.34	-
16.	Oman International Bank Ltd.	32	0.60	-
17.	Bank of Nova Scotia	27	0.42	-

1	2	3	4	5
18.	Mitsui Bank Ltd.	25	0.26	-
19.	Abu Dhabi Commercial Bank Ltd.	20	*	-
20.	Sonali Bank Ltd.	6	0.03	-
21.	Bank of Baharain and Kuwait BSC	**	**	**

*Amount less than Rs. one lakh

**Started functioning in 1986

Raids by Enforcement Directorate

3852. DR.SUDHIR ROY:
SHRI AJOY BISWAS:

Will the Minister of FINANCE be pleased to state:

(a) the number of raids conducted by the Enforcement Directorate on big business houses in later half of 1986 and first half of 1987; and

(b) how many business houses were prosecuted for economic offences?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The information is being collected and will be laid on the Table of the House.

[Translation]

Increase in Price of NTC Products

3853. SHRI BALWANT SINGH RAMOOWALIA: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the National Textile Corporation has increased the prices of its products during the last three months;

(b) if so, the extent to which increase in the prices of each variety of cloth has been made; and

(c) the reasons for this price increase?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) to (c). Yes, Sir. in view of unprecedented rise in cotton prices, NTC has issued instructions to its subsidiary Corporations to increase cloth prices by 10% in December, 1987.

Sprinkler and Drip Irrigation System

3854. SHRI BALWANT SINGH RAMOOWALIA: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government are considering to promote sprinkler and drip irrigation systems to encourage proper use of water in agriculture;

(b) if so, the details in this regard; and

(c) if not, the reasons for not formulating any such scheme so far?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (c). Under the Centrally Sponsored Scheme for small and marginal farmers for encouraging irrigation through the use of Sprinkler/Drip system etc., subsidy is given @25% for small farmers, 33-1/3% for marginal farmers and 50% for Scheduled Castes & Scheduled Tribes farmers belonging to small and marginal category. Cooperative/Community Schemes are provided subsidy up to 50% subject to a cost ceiling of Rs.40,000/-

Financial assistance is also available under the National Oil seeds Development Project for installation of sprinkler system.

Import of Viable Pipes

3855. SHRI BALWANT SINGH RAMOO-WALIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that viable pipes used in drip irrigation are imported from abroad;

(b) if so, the existing arrangements for its import;

(c) the quantity of the pipes imported in the country each year;

(d) whether it is also a fact that the raw material used in the manufacture of these pipes is also imported;

(e) if so, the rate of duty levied on these pipes and the raw material by Government; and

(f) whether Government propose to reduce the amount of duty levied on these pipes so as to promote the use of new technology?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (d). Import of so-called 'viable pipes' used in the drip irrigation has not been noticed by the Customs authorities. In the absence of details of the raw material required for the manufacture of these pipes, it is not possible to confirm whether any such raw material is being imported. The Customs authorities have, however, noticed import of P.V.C. Hoses for use in drip irrigation system which are chargeable to customs duty at the rate of 145% *ad valorem*.

(b), (c), (e) and (f). In view of the above, do not arise.

[English]

Duty Exemption Scheme on Oil Seeds

3856. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Duty Exemption Scheme on oil seeds has been withdrawn since 29 January, 1988; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). Presumably, the reference is to the exemption notification No. 127/77-Customs dated the 1st July, 1977 (as amended) under which specified oil seeds and kernel, when imported into India, were exempted from payment of customs duty. All the goods covered by the above notification are canalised for import through State Trading Corporation of India or Hindustan Vegetable Oils Corporation. As the canalising agencies have no immediate plans to import any of the goods covered by this notification, it was rescinded on the 29th January, 1988.

Proposal to bring Viscose Staple Fibre under Open General Licence

3857. SHRI RAM BHAGAT PASWAN: Will the Minister of TEXTILES be pleased to state:

(a) whether Government propose to bring viscose staple fibre under open general licence or reduce the customs duty to facilitate the small scale units to reopen their factories; and

(b) if not, whether Government propose to take price and distribution of viscose staple fibre in its hand; and if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b). Information is being collected and will be laid on the Table of the House.

Misuse of Import Licences by Private Companies

3858. SHRI RAM BHAGAT PASWAN: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware that

some companies like M/s. ITC Limited, M/s. Hindusthan Aluminium Limited, M/s. Glaxo Lab. Limited have imported old machines and spare parts and misused the licences issued to them during last one year; and

(b) if so, the names of companies who have misused import licences?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Import statistics are not maintained firm-wise. However, no misuse of import licence issued to M/s ITC Ltd., M/s Hindustan Aluminium Ltd. and M/s Glaxo Lab. Ltd. during last one year has so far come to the notice of CCI&E, New Delhi.

(b) Does not arise.

Iron Ore Export to Japan

3859. SHRI YASHWANTRAO GADAKH PATIL: Will the Minister of COMMERCE be pleased to state:

(a) the quantity and value of iron ore exported to Japan during 1987-88 and how do these compare with the figures for the corresponding period last year;

(b) whether Japan has proposed a reduction in the price from April 88;

(c) if so, the details thereof; and

(d) the measures taken to explore new markets for exports?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) 128.41 lakh tonnes of iron ore valued at Rs.234.59 crores has been exported to Japan during April-January 1987-88, which is lower than exports to Japan in the corresponding period of the previous year.

(b) and (c). Yes, Sir. It has asked for a price cut of 4% in iron ore fines and also lump from Goa.

(d) Following steps have been taken to increase exports of iron ore.

- (i) Tying up export sales on long term basis through signing of long term agreements with major buyers of iron ore;
- (ii) Effective marketing strategy in the negotiations to increase exports in terms of quantities in the main markets of Japan, South Korea etc.
- (iii) Diversification of iron ore exports to new markets in Middle East, China and Turkey;
- (iv) Provision of incentive by way of marginal discount in iron ore prices to induce major buyers to increase the off-take through Paradip Port.
- (v) Formulation of plans for expanding port capacities to receive large-size vessels at Madras, Vizag and Paradip Ports, increase in rail capacities to enhance availability of iron ore.
- (vi) Extension of benefits of 100% export oriented units scheme to mining industry by the Government.

Cases of Corruption in Financial dealings by Public Servants

3860. SHRI VIJAY KUMAR MISHRA:
DR. A.K. PATEL:

Will the Minister of FINANCE be pleased to state:

(a) whether the cases reported to CBI and other departments of Government (including public sector employees) about corruption in financial dealings have increased during 1987;

(b) if so, the number of such cases being sent for prosecution in 1987;

(c) whether a case against Chairman-Managing Director of Punjab and Sind Bank referred to NOIDA Police has been completed; and

(d) if so, what further action has been taken in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The CBI has reported that during the years 1986 and 1987, it had registered 1301 and 1295 cases, out of which 702 and 825 cases were of bribery, corruption and misappropriation, respectively. The CBI has also intimated that in 1987, it had finalised investigations in 1338 cases of all types, including bribery, corruption and misappropriation. Out of the cases finalised, 611 cases were sent for prosecution.

(c) and (d). Government of Uttar Pradesh has been requested for information but a reply in the matter has not so far been received from the State Government. However, Punjab & Sind Bank has reported that its Chairman and Managing Director has never been approached by the NOIDA Police.

Wholesale and Consumer Price Index

3861. SHRI VIRDHI CHANDER JAIN:
SHRI S.B.SIDNAL:
SHRI G.S. BASAVARAJU:

Will the Minister of FINANCE be pleased to state:

(a) the wholesale price index on the first day of each quarter during the current fi-

nancial year and the corresponding figures for the previous five financial years;

(b) the All India Consumer Price index on the first day of every quarter during the current financial year and the corresponding figures for the previous five financial years;

(c) the annual rates of inflation as measured with reference to the two indices as on 1 April, 1 July, and 1 October, 1987 and 1 January, 1988; and

(d) the specific steps taken or are proposed to be taken by Government to control the rate of inflation?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). The requisite information is given in the statement below.

(d) The specific measures taken by the Government to keep the price rise under check include enhanced distribution of foodgrains through Public Distribution System (PDS); Strengthening of PDS with the opening of additional outlets; import of essential commodities like pulses; edible oils & sugar; strict economy in government expenditure; mopping up of excess liquidity in the economy by raising Cash Reserve Ratio; and Statutory Liquidity Ratio; imposition of selective credit controls and intensive action against hoarders and profiteers. Prices are closely being monitored at various levels to facilitate prompt action.

STATEMENT

(a) Wholesale Price Index (1971-72 = 100)

	<u>1987-88</u>		<u>1986-87</u>		<u>1985-86</u>
28.3.1987	378.2	29.3.1986	359.3	30.3.1985	346.3
27.5.1987	396.2	28.6.1986	374.5	29.6.1985	358.6
26.9.1987	408.0	27.9.1986	383.2	28.9.1985	357.2
26.12.1987	413.1	27.12.1986	378.3	28.12.1985	356.3

	<u>1984-85</u>		<u>1983-84</u>		<u>1982-83</u>
31.3.1984	321.7	2.4.1983	297.2	27.3.1982	277.1
30.6.1984	338.0	2.7.1983	311.0	26.6.1982	287.8
29.9.1984	341.1	1.10.1983	319.1	25.9.1982	289.0
29.12.1984	338.2	31.12.1983	320.1	1.1.1983	289.1

(b) Consumer Price Index for Industrial Workers (1960 = 100)

	1987-88	1986-87	1985-86	1984-85	1983-84	1982-83
March	686	638	586	558	502	457
June	715	658	606	574	533	470
September	745	676	619	589	554	489
December	752	688	630	588	559	497

(c) Annual Rate of Inflation as on 1st April, 1st July, 1st October, 1987 and 1st January, 1988

	WPI (1970-71 = 100)		CPI (1960 = 100)
28.3.1987	5.3%	March	7.5%
27.6.1987	5.8%	June	8.7%
26.9.1987	6.5%	September	10.2%
26.12.1987	9.2%	December	9.3%

NOTE. For WPI which is compiled on a weekly basis, the Index for the week ending the date nearest to the first day of relevant quarter has been given. For the CPI, which is compiled on monthly basis, the Index for the first month of each quarter has been given.

*[Translation]***Handicraft in Barmer (Rajasthan)**

3862. SHRI VIRDHI CHANDER JAIN:
Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Rajasthan has a special place in handicraft;

(b) if so, the details of the assistance given so far to the State Government by Union Government and Handicraft Board

for development and expansion of handicraft;

(c) the role played by Central Handicraft Board in preparing the latest designs of handicraft in Rajasthan;

(d) whether it is also a fact that Barmer district of Rajasthan is particularly famous for carved wooden furniture and minor work; and

(e) if so, whether Union Government and Handicraft Board propose to open the

Head Office of the designer in Rajasthan with a view to promote these industries?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) to (e). As in the statement given below.

STATEMENT

(a) Yes, Sir.

(b) Financial assistance provided till date to the Rajasthan Small Industries Development Corporation responsible for the development and expansion of handicrafts in the State of Rajasthan is given below:

1. *Marketing assistance*

- | | |
|---|--------------|
| (i) Financial assistance for opening of new and renovation/expansion of existing emporia. | Rs.6,30,000 |
| (ii) Participation in the equity capital | Rs.25,00,000 |

2. *Training Schemes*

- | | |
|---|-------------|
| (i) <i>Artmetal Wares</i> : Five training centres in Metal Craft in Jaipur, Jodhpur, Udaipur, Ajmer and Bikaner in Rajasthan. | Rs.5,90,000 |
| (ii) Hand Printed Textiles | Rs.6,31,000 |

3. *Apprenticeship Training Scheme*

There are three Apprenticeship Training Centres in Wood Craft during 1987-88 in the State.

4. Besides, two Hand Block Printing Training Centres, one each at Sanganer and Bagru and one Hand Block Engraving Training Centre at Sanganer in Rajasthan have been set up. 13 Carpet Weaving Training Centres are functioning in 8 districts of Rajasthan. National Institute for Hand Printed Textiles has been set up in Jaipur for research and development of textiles printing and designs. Various workshops and seminars are being conducted by this Institute at the national level.

(c) *Design Development*: The Regional Design & Technical Development Centre, Bombay has evolved new designs in Wood Carving, Block Printing, use of Vegetable Dyes, Toys & Dolls, Paper Machine and Lac Jewellery for Rajasthan. Designs for wooden furniture and textile printing of Barmer region are also evolved.

(d) Yes, Sir.

(e) There is no such proposal. However, the Regional Design & Technical Development Centre, Bombay has been associated with the development of new designs for Rajasthan Crafts.

[English]

Seizure of Narcotics

3863. SHRI VIRDHI CHANDER JAIN:
SHRI MOHD.MAHFOOZ ALI
KHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether a series of raids have been made to seize huge stock of narcotics in the country in the years 1986 and 1987;

(b) if so, drug-wise details of narcotics seized in each State, their value in International market, and the names of countries from where these narcotics were smuggled;

(c) the steps proposed to prevent the smuggling of these narcotics to India and

the action taken against persons involved in the trade of these narcotics; and

(d) the steps proposed to educate public to avoid the use of these narcotics?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). The fight against drug trafficking is

a continuous process and, raids are conducted in this connection by various drug law enforcement agencies in the country, as and when they receive intelligence on the same.

According to information available, the number of cases along with quantities of different narcotics drugs seized all over the country during 1986 and 1987 are as under.

Sl. No.	Name of drug	1986		1987	
		No. of cases	Quantity (kgs)	No. of cases	Quantity (kgs)
1.	Opium	1,692	8,789	404	2,859
2.	Ganja	684	60,620	616	53,307
3.	Hashish (Charas)	374	18,909	294	14,792
4.	Heroin	405	2,621	332	2,780
5.	Morphine	45	207	30	90

(Figures for 1987 provisional. Quantity rounded off to the nearest Kilogram)

(c) Government have initiated various aggressive counter-measures against drug trafficking which include strengthening of the preventive and intelligence machinery, adoption of a liberalised reward scheme for officers and informers, increased co-operation between various drug law enforcement agencies, bilateral co-operation with neighbouring countries besides the regional co-operation under the umbrella of SAARC. The situation is also kept under constant review for appropriate follow-up action. The persons arrested in connection with drug offences are proceeded against for punishment under the provisions of law.

(d) Government had taken a number of steps to educate the public against drug abuse including display of posters, depicting evils of drugs, telecasting documentary films on drug menace, etc. The voluntary organisations are also involved in the drive to publicise the evils of drug abuse and create "drug" awareness, amongst the public.

[Translation]

Smuggling of Heroin and Charas

3864. SHRI VIRDHI CHANDER JAIN: Will the Minister of FINANCE be pleased to state:

(a) whether heroin and charas worth crores of rupees are being smuggled into the country from Afganistan;

(b) if so, the quantity and value of heroin and charas seized during the last three years by each Government agency;

(c) the number of persons apprehended in the above cases and the number of persons prosecuted alongwith the number of persons awarded punishment;

(d) whether it is a fact that concrete steps required to be taken to check the smuggling were not taken;

(e) if so, whether Government propose

to take some steps to check the smuggling of heroin and charas; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA): (a) and (b). Reports received indicate that the Indo-Pak. Border continues to be vulnerable to smuggling of drugs, especially of

heroin and hashish (charas) from the Near and Middle East Region, which includes Afghanistan. No precise value of the drugs seized can be indicated as this is dependent upon various factors like quality of the drugs, place of origin, etc.

The quantities of heroin and charas, seized by different enforcement agencies in India, during the last three years are as under:--

Sl. No.	Name of Seizing agency	Quantity seized in (kgs.)					
		1985		1986		1987	
		Heroin	Charas	Heroin	Charas	Heroin	Charas
1.	Customs	150	3,680	238	5,885	779	3,521
2.	Narcotics Control Bureau	..	..	..	..	104	25
3.	Central Bureau of Narcotics	6	33	4	..	15	8
4.	Directorate of Revenue Intelligence	..	300	1,183	7,959	100	4,366
5.	Other agencies (B.S.F., Police, CBI, etc.)	605	6,299	1,196	5,067	1,782	6,872
						+2 hashish oil	
Total		761	10,312	2,621	18,911	+ 2,780	14,792
						2 Hashish oil	

(Figures rounded off to the nearest Kilogram. The Narcotics Control Bureau became operational in 1987).

(c) The number of persons prosecuted and convicted for drug-related offences in 1986 and 1987, as reported to the Narcotics control Bureau, are as follows:

	1986	1987
1. Number of persons prosecuted	5,525	4,503
2. Number of persons convicted	586	247

(d) No, Sir.

(e) and (f). Do not arise. However, with

the enforcement of the Narcotic Drugs and Psychotropic Substances Act, 1985, providing for deterrent punishment for drug offence cases, the drive against drug traffickers/smugglers has been intensified, both by the Centre as well as the States. Narcotic Cells have been created in the Customs and Central Excise Collectorates and in the State police organisations. This has resulted in seizures of huge quantities of drugs.

Government have also initiated various aggressive counter-measures against drug trafficking, which, *inter alia* include strengthening of the preventive and intelli-

gence machinery, specially around borders, adoption of a liberalised reward scheme for officers and informers, strengthening of bilateral co-operation between neighbouring countries (including regional co-operation under the umbrella of SAARC). The matter is also kept under constant review for appropriate action.

[English]

Beneficiaries under Self Employment Programme in West Bengal

3865. DR. PHULRENU GUHA: Will the Minister of FINANCE be pleased to state:

(a) the amount fixed for beneficiaries under self employment programme for 1986-87 in West Bengal

(b) the number of applications received and how many are sanctioned and disbursed, trade-wise or profession-wise; and

(c) the number of applications rejected and reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Under Self-Employment Scheme for Educated Unemployed Youth (SEEUY), separate allocation of funds is not made for each State. However, physical targets in terms of beneficiaries are allotted to different States. For the year 1986-87, a target of 24,300 had been laid down for West Bengal. Under the Scheme, loans are sanctioned upto a ceiling of Rs. 35000/- Rs. 25,000/- and Rs. 15,000/- for industrial, service and business ventures respectively. As per data available, in West Bengal 83,673 applications were received for loans under SEEUY by DICs in the year 1986-87, out of which 30,397 were recommended to the banks. The banks sanctioned loans to 20,468 persons amounting to Rs. 48.46 crores.

The reasons for rejection of applications are mainly non-eligibility of applicants, project cost exceeding the ceiling pre-

scribed under the scheme, applicants already employed else where, inability of the applicants to procure electric connections etc.

Committees to Review Schemes of Deposit Insurance and Credit Guarantee Corporation

3866. SHRI K. RAMAMURTHY: Will the Minister of FINANCE be pleased to state:

(a) the recommendations made by the expert committee constituted to review in details the various schemes operated by the Deposit Insurance and Credit Guarantee Corporation and to make recommendations for further improvement in the working of the Corporation; and

(b) the action taken thereon?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The Deposit Insurance and Credit Guarantee Corporation (DICGC) has reported that the Expert Committee appointed by them to review the DICGC schemes has since submitted its report and recommendations made by the Committee are under scrutiny. are under scrutiny.

Inquiry into Grants to TDA

3867. SHRI K. RAMAMURTHY: Will the Minister of COMMERCE be pleased to state:

(a) how the Trade Development Authority (TDA), a grantee institution, is being given excess grant to the tune of Rs. 134.83 lakhs during the period 1981-82 to 1985-86, while according to the rules laid down by the marketing Development Assistance Division of the Ministry, the grants are to be released only after the annual accounts of such institutions are approved by recognised Auditors;

(b) whether any inquiry has been conducted into the working of the Trade Development Authority, particularly in incurring administrative expenditure of Rs.

187.20 lakhs during 1985-86 for export promotional activities at a cost of Rs. 69.77 lakhs; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (c). A statement is given below.

STATEMENT

(a) The Trade Development Authority, a non-commercial, non profit making body, receives grant-in-aid on the basis of the financial pattern of assistance approved by the Government and laid down in the Marketing Development Assistance (MDA) Code. The percentage of grant admissible varies from 60% to 100% depending on the item of expenditure. TDA is expected to raise 40% of expenses towards Code (Promotional) activities and 25% of expenses towards non-Code (Administrative) expenditure.

Unlike Export Promotion Councils, whose membership is obligatory for exporters, the membership of TDA, most of whom drawn from medium and small scale sectors, is purely voluntary. Thus, although TDA manages to generate a modest income from its limited resources, this income being insufficient to cover its matching contribution, there are large deficits each year. According to the procedure laid down in the MDA Code, grant is released in instalments after TDA's budget is approved, in the Ministry. The final grant admissible, based on the approved pattern of assistance, is calculated after the close of the financial year and after receipt of the statement of accounts, duly audited by recognised auditors. Any amount released during a particular year in excess of admissible grant, is adjusted after the finalisation of the grant admissible for that particular year.

Further, considering the financial constraints faced by TDA on account of deficits incurred each year, Government have decided to cover the accumulated deficit by sanctioning an ad-hoc grant.

(b) and (c). Since TDA incurs expenditure on the basis of the budget approved by the Government and as per pattern of assistance prescribed by the Government, the question of conducting an Inquiry has not arisen.

Indianisation of Companies

3868. SHRI K. RAMAMURTHY: Will the Minister of FINANCE be pleased to state:

(a) the names of fourteen companies which opted for winding up of their activities in India instead of Indianisation as per final orders under Section 29(2) of the Foreign Exchange Regulation Act, 1973 issued at the end of June, 1987;

(b) the names of twenty one companies which were at various stages of compliance with this order under reference and whether they have now completely become Indianised; and

(c) the State-wise break up of 368 companies which complied with these directives by the specified date?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) A list giving the names of 14 companies which have opted to wind up their activities in India instead of diluting their non-resident interest as per the directives issued to them under Section 29(2) (a) of Foreign Exchange Regulation Act, 1973 is given in the Statement below.

(b) The latest position with regard to compliance by these companies with the FERA directives is being ascertained and will be laid on the Table of the House.

(c) The number, names and State-wise break up of companies which have complied with the directives issued under Section 29(2) (a) of FERA are being collected and will be laid on the Table of the House.

STATEMENT

Since wound up:

1. A. Johnson & Co. India A.B. Calcutta.

2. Andrew Chalmers (I) Ltd., Guntur.
3. Baker Perkins International Ltd., Bombay.
4. Bunge & Co., Ltd., Calcutta.
5. Columbia Gramophone Co. of India Pvt. Limited, Calcutta.
6. Eli Lilly & Co. of India Inc., Bombay.
7. Van Rees India B.V. Calcutta.

Yet to wind up:

1. Coca-Cola Export Corporation, New Delhi.
2. Consolidated Pneumatic Tool Co Ltd., Bombay.
(now known as Chicago Pneumatic Holdings Co. Ltd.).
3. I.B.M. World Trade Corporation, New Delhi.
4. Nestle's Products (I) Ltd., New Delhi
5. Silbhetta Tea Seed Co. Ltd., Calcutta
6. Torrance & Sons Ltd., Madras.
7. Weddel (India) Ltd., Calcutta

Investigation into Bank Frauds by RBI

3869. SHRI K. RAMAMURTHY Will the Minister of FINANCE be pleased to state

(a) the names of bank offices in which investigations into frauds/complaints were carried out by the Reserve Bank of India during July 1986 to April 1987 and the extent of loss involved in these frauds; and

(b) the details of the outcome of these investigations and the action taken by Government against the staff held responsible for these frauds/complaints?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of In-

dia (RBI) has reported that during the period July 1986 to April 1987, its Special Investigations Cell had carried out 14 investigations covering 24 offices of banks. The RBI has further intimated that it is not feasible to indicate precisely the extent of loss that would be sustained by the various banks as cases filed by some of the banks for recovery of their dues are still pending with various courts.

(b) Reserve Bank of India has reported that out of the 14 cases investigated by its Special Investigation Cell, while 3 cases were classified as frauds the remaining cases pertained to procedural lapses. The RBI has also reported that as a result of these investigations, 3 officers have been awarded punishment of reduction of pay by one stage. Eight other bank officers are reportedly facing enquiries.

[Translation]

Warana Project

3870. SHRI VILAS MUTTEMWAR: Will the Minister of WATER RESOURCES be pleased to refer to the reply given on 11 November, 1987 to Unstarred Question No. 680 regarding Warana Project of Maharashtra and state:

(a) the time by which Warana Project will be cleared by Union Government; and

(b) probable date by which the work will start and completed?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). Comments on Warana Project have been sent to the State Government for compliance. The State Government plans to complete works on this ongoing project by 2005 A.D.

[English]

New system of Income Tax Assessment

3871. SHRI KAMAL NATH: Will the Minister of FINANCE be pleased to state:

(a) whether a new mode of Income Tax

assessment is going to be introduced by the Income Tax Department on a pilot basis this year and on a regular basis from next year;

(b) if so, the broad outlines of the new system; and

(c) the estimated increase in the tax collections within the new system as compared to the old one?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). As per the Direct Tax Laws (Amendment) Act, 1987, the existing scheme relating to assessment of incomes is being dispensed with. As per the new scheme, there will be no legal requirement to pass an assessment order in respect of all the returns of income. An assessee filing his return of income will be issued a tear off acknowledgement slip containing necessary details of the return filed by him. This acknowledgement slip will serve the purpose of assessment order and will indicate that the return filed by him has been accepted. However, in a limited number of cases, the Department will scrutinize the returns within a specified time frame.

The above scheme will relieve a large number of taxpayers of the visits to the Income Tax offices. It will also relieve the officers of the Department from a large volume of unproductive paper work and the manhours so saved will be utilized mostly in tackling tax evasion cases.

This scheme will come into operation from the assessment year 1989-90.

(c) The new scheme of assessment is intended to streamline the procedure relating to assessment and to encourage voluntary compliance. With better compliance and detection of cases of tax evasion, it is expected that there will be an appreciable increase in revenue in future.

Trade Deficit

3872. SHRI SYED SHAHABUDDIN: Will the Minister of COMMERCE be pleased to state:

(a) the latest estimate of trade deficit during the current year;

(b) the cumulative trade deficit so far since the beginning of the current plan; and

(c) the major items whose import has registered a rise in terms of quantity and/or value?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) According to the latest provisional trade statistics, India's trade deficit during the first ten months of the current financial year i.e. April-January, 1987-88 amounted to Rs. 5425.49 crores, which is less by Rs. 408.65 crores, as compared to Rs. 5834.14 crores during April-January, 1986-87.

(b) The cumulative trade deficit for the period April, 1985-January, 1988 works out to Rs. 21705.50 crores.

(c) The major items whose import has registered a rise in terms of Quantity and/or value during the first six months of the current financial year i.e. April-September, 1987 as compared to April-September, 1986 include Sugar, Petroleum and Petroleum products, Metaliferrous ores and metal scrap, Pearls, precious & semi-precious stones, Machinery, Transport equipment, Organic & inorganic chemicals, Artificial resins, Plastic materials, etc.

Duties and activities of some Central Water Commission Officers

3873. SHRI YOGESHWAR PRASAD YOGESH: Will the Minister of WATER RESOURCES be pleased to state:

(a) the duties and activities of the Chairman, Chief Engineer and Director of Administration of the Central Water Commission (CWC);

(b) the present incumbents to these posts; and

(c) the number of complaints received

against any of the said incumbents and the action taken in regard thereto?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). A statement is given below.

(c) Two complaints were received

against the Chairman, Central Water Commission, one each in 1984 and 1987. On investigation, no substance was found in these complaints and the cases were closed. No complaint has been received against Chief Engineer (Admn. & Coord.), and Director (Admn.), Central Water Commission.

STATEMENT

Name of the Post	Duties and activities	Name of the present incumbent and qualification
1	2	3
Chairman	Chairman is the Head of the Central Water Commission an attached office of this Ministry. He is entrusted with the task of giving advice on initiating, coordinating and furthering, in consultation with State Government concerned, the schemes for regulation conservation and utilisation of Water Resources throughout the country for the purpose of irrigation, flood control, navigation and water power generation. Ex-Officio status of Secretary to the Government of India has been conferred on him. There is an Administration and Coordination wing in the Central Water Commission which provides establishment and administrative services to the organisation and attends to coordination of information concerning technical and administrative matters of the Commission. This wing functions under direct control of Chairman, Central Water Commission.	Shri M.A. Chitale, is the Chairman, Central Water Commission, from 25-9-85 and his qualifications are as below: B.E. (Civil) Parvin Fellow at the Woodrow Wilson School of Public and International Affairs Princeton University, U.S.A. Fellow of Institution of Engineers (India) Fellow of Indian National Academy of Engineering.
Chief Engineer	There are 34 posts of Chief Engineers in Central Water Commission. The main work of Chief Engineers is to deal with technical matters relating to the scrutiny and appraisal of major and medium projects. Chief Engineer (Administration and Coordination)	There is no separate Chief Engineer (Administration and Coordination) at present Shri R.B. Shah Chief Engineer (P&I) is looking after the duties of Chief

1

2

3

assists Chairman, Central Water Commission in the discharge of his administrative functions. He supervises and directs the day to day work relating to establishment/service matter of the establishment of Central Water Commission, coordination of technical matters and information, and the work relating to technical of documentation, publication, publicity etc., above the level of various middle level officers of the Administration and Coordination Wing responsible for the above work.

Engineer (Admn. & Coord.). His qualification is B.E. (Civil) (Hons.)

Director
(Admn.)

Director (Admn.) is responsible for all establishment/service matters e.g. recruitment, promotion, transfer, confirmation etc. in respect of all categories of officers/staff of the Commission except the gazetted engineering officers. In addition he is also welfare Officer and Liaison Officer for matters relating to reservation in appointments of Scheduled Castes/Scheduled Tribes and Ex-Servicemen in Central Water Commission.

The post of Director (Admn.) was created w.e.f. 3.10.1980 and the present incumbent Shri B. Bhadu was appointed w.e.f. 28.11.1983. His qualification is B.A., L.L.B. Prior to his joining the Central Secretariat Service in 1974 he was a commissioned officer in the Army.

Bank Credit Deposit Ratio in North-Eastern Region

3874. SHRI AJOY BISWAS: Will the Minister of FINANCE be pleased to state:

(a) whether bank credit deposit ratio of different States of the North-Eastern Region is very low.;

(b) if so, the details thereof;

(c) the reasons therefor; and

(d) the steps Government propose to take to improve the situation.

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Credit: deposit ratio of all Scheduled Commercial

Banks in respect of most of the States of North-Eastern Region is low. State-wise details of credit:deposit ratio of all Scheduled Commercial Banks in North-Eastern Region as at the end of September 1987 are given in the Statement below.

(c) Credit:deposit ratio of a particular area depends upon the level of economic activity and demand for credit which in turn is influenced by several factors such as the State of infrastructural facilities--existing local entrepreneurships in various fields transport, marketing etc. A reasonable loan recovery expectations and cooperation from local Government machinery also contributes towards better deployment of credit.

(d) Credit deployment by banks in various States is monitored by State Level Bankers' Committees (SLBCs) chaired by

Convenor Banks with State Government and Reserve Bank of India (RBI) representatives. RBI has reported that in 1986, a Study Group was constituted to review the position of credit: deposit ratio in various States of North-Eastern Region. RBI later forwarded the Study Report on Banking

Developments in North-Eastern Region to the State Governments in the Region and advised them to initiate necessary action. Subsequently in May 1987, a task force was constituted in each of the States to facilitate the implementation of the recommendations made in the study report.

STATEMENT

State	Credit: Deposit Ratio (%)
1. Assam	50.64
2. Manipur	63.67
3. Meghalaya	22.90
4. Sikkim	28.10
5. Nagaland	38.90
6. Tripura	60.10
7. Arunachal Pradesh	20.50
8. Mizoram	26.20
North-Eastern Region	46.10
All India	61.45

Proposal to bring Weaker Sections within credit plan of Nationalised Banks

3875. SHRI AJOY BISWAS: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal of Union Government to bring more weaker sections within the credit plan of the nationalised banks; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). It has been Government's continuous endeavour to extend the benefit of credit by Public Sector Banks to Weaker Sections of society. From time to time the categories under 'Weaker

Sections' have been enlarged to cover more beneficiaries and at present it consists of:--

- (i) Small and marginal farmers, landless labourers, tenant farmers and share croppers;
- (ii) Artisans, village and cottage industries;
- (iii) IRDP, DRI and SEPUP beneficiaries; and
- (iv) Scheduled Castes/Scheduled Tribes.

Banks have been asked to extend 10 per cent of their total outstanding advances to Weaker Sections and upto end September 1987, Public Sector Banks had out-

standing advances to Weaker Sections of the order of Rs. 6506 crores constituting 11.4 per cent of total advances.

Import of Cotton

3876. SHRI H.N. NANJE GOWDA:
SHRIMATI JAYANTI PATNAIK:
SHRI C.K. KUPPUSWAMY:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Union Government are considering to import cotton as suggested by the Cotton Advisory Board (CAB);

(b) the quantity of cotton proposed to be imported and from which country it is proposed to be purchased;

(c) when the first instalment of imported cotton will reach India;

(d) the fund allocated for import of cotton this year; and

(e) the criteria fixed for distribution of imported cotton?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) While the Cotton Advisory Board has not recommended any specific imports, Government do not rule out the possibility of import of cotton. However, no decision has so far been taken in this regard.

(b) to (e). Do not arise at present.

Loan from the Netherlands

3877. SHRI H.N. NANJE GOWDA:
SHRI G. BHOOPATHY:

Will the Minister of FINANCE be pleased to state:

(a) whether, the Netherlands has extended Rs. 143 crore as bilateral grant-cum-loan assistance to India;

(b) if so, the purpose for which it will be utilised; and

(c) whether this loan will also be provided for assistance of non-Government organisations and other technical assistance programmes?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The Netherlands have extended financial assistance upto Dfl. 105 million (approx. Rs. 146 crores) for the Calender Year 1988 of which Dfl. 105 million (approx. Rs. 75 crores) will consist of soft loan and Dfl. 99 million (approx. Rs. 71 crores) grant. (Exchange rate used Dfl. 1 = Rs. 7.181).

(b) The financial assistance from the Netherlands will be used on developmental programmes in the fields of Rural Development, Shipping & Transport, Environment, Forests and Wildlife, Women's Programme, Water Resources, Non-Conventional Energy Sources and Import of Edible Oils and Caprolactum.

(c) Loans are not provided for assistance of NGOs and other Technical Assistance Programmes. The Technical Assistance Programme is funded out of Technical Assistance Fund for which an amount of Dfl. 27.3 million (approx. Rs. 19 crores) had been earmarked as estimated disbursement during 1988 on case to case basis. This is in addition to the above financial assistance. To NGOs Netherlands provides assistance on a case by case basis and outside the above-mentioned Country Programme.

C.W.C. Officials Cases Filed in Courts/Administrative Tribunals

3878. SHRI YOGESHWAR PRASAD YOGESH: Will the Minister of WATER RESOURCES be pleased to state:

(a) the number of cases filed in courts and administrative tribunals against the Central Water Commission during the last five years and the number of cases on which judgements have been delivered so far;

(b) the number of such judgements in pursuance of which the Commission has

not taken any action so far and the reasons therefor;

(c) the number of cases pending for not accepting to the verdict of the court and the tribunal and for causing delay in the implementation thereof; and

(d) the details of the punishment awarded/to be awarded to the erring officials of the Commission?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) 94 cases were filed and 41 judgements delivered.

(b) Action in all the cases except three has been completed. Action in three cases is in progress.

(c) and (d). Do not arise.

Trade Agreement with China

3879. DR. CHANDRA SHEKHAR TRIPATHI: Will the Minister of COMMERCE be pleased to state:

(a) whether any new trade agreement has been signed recently between India and China; and

(b) if so, the items proposed to be exported to China under this agreement?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) No, Sir.

(b) Does not arise.

UN Funds for Fighting Drug Abuse

3880. SHRI AJAY MUSHRAN: Will the Minister of FINANCE be pleased to state:

(a) the grant received from UN Funds for fighting drug abuse in 1986-87 and 1987-88;

(b) the details of the voluntary organisations, and grants given to each of them;

(c) whether Government propose to in-

stitute a deaddiction hospital/medical centre at Delhi and Bombay where the drug abuse has assumed astounding proportions; and

(d) if so, the details of scheme?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (d). The U.N. Fund for Drug Abuse Control have offered to provide financial assistance to the tune of US \$20 million for specific programmes and projects to be jointly agreed upon by both the Government of India and the Fund in the field of drug abuse control. A Memorandum of Understanding to this effect has been signed on 5.6.1987. No grant, as such, has so far been received in this connection. Hence, the question of sanction of funds to voluntary organisations from the said grant does not arise.

However, from 1986-87, a 15-bedded deaddiction centre, run by a voluntary organisation, has already started functioning in New Delhi. One more deaddiction centre has been sanctioned to a voluntary organisation in Delhi during 1987-88. In addition, 7 counselling centres were also set up in Delhi in 1985-86 while 5 more such centres have been sanctioned during 1987-88. The voluntary organisations are given grants-in-aid by the Government.

[English]

IFAD Loan for Tribals

3881. SHRI MULLAPPALLY
RAMACHANDRAN:
SHRI V. TULSIRAM:
DR. KRUPASINDHU BHOI:
SHRI LAKSHMAN MALLICK:

Will the Minister of FINANCE be pleased to state:

(a) the total quantum of funds/loan expected from the International Fund of Agricultural Development (IFAD) for the economic upliftment of the tribal community;

(b) the specific projects and the specific

areas in various States where these funds are proposed to be used;

(c) where any international funds have been made available for the upliftment of the tribals in the only wholly tribal constituency of Mananthody in Wynad District of Kerala; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). IFAD have extended a loan of \$ 12.2 million for a tribal development project located in Kasipur Block of Koraput District in Orissa.

(c) and (d). No external assistance has been committed for a project specifically for upliftment of tribals in Wynad district of Kerala.

Issue of orders on recommendations of Fourth Pay Commission

3882. SHRI HAFIZ MOHD. SIDDIQ: Will the Minister of FINANCE be pleased to state:

(a) the details of the subjects on which Government have yet to issue orders on the recommendations of the Fourth Pay Commission; and

(b) when the orders are likely to be issued?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) and (b). Government orders have already been issued covering major recommendations of the Fourth Central Pay Commission relating to revision of pay scales, Dearness Allowance, House Rent Allowance, City Compensatory Allowance and retirement benefits etc.

Listed below are some of the important recommendations of the Pay Commission which are under process:—

(i) Review body for reviewing the

pay scales and rates of allowances and related matters.

(ii) Revision of rates of subscription and utilisation of funds under the Group Insurance Scheme.

(iii) Creation of pension fund, uniformity in definition of 'Family', new plan for commutation of pension, CPF retirees and a medicare scheme for pensioners.

(iv) Limitation on the number of occasions on which maternity leave may be availed of by women employees.

(v) Grant of non-interest bearing advance equal to half-a-month's basic pay once a year.

In addition, various Ministries/ Departments of the Government of India are processing certain specific recommendations of the Pay Commission.

Setting up of Fresh Water Prawn Hatchery in West Bengal

3883. SHRI SANAT KUMAR MANDAL: Will the Minister of COMMERCE be pleased to state:

(a) whether Centre has decided to set up a fresh water prawn hatchery in West Bengal with financial assistance being given by the Danish Agency for International Development Assistance;

(b) if so, its paucity and the place where it is proposed to be located; and

(c) whether Government have considered its location somewhere in the Sunderbans area where there is enormous potential for the culture of fresh prawns in view of the backwardness of this area?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (c). The project proposal of Marine Products Export Development Authority for setting up a fresh water prawn hatchery in West Bengal with an estimated

capacity to produce 40 million seeds per annum has been posed to the Danish authorities for DANIDA assistance. The location will be decided on the advice of the technical consultants.

[*Translation*]

Foodgrains grants to combat drought

3884. SHRI KAMLA PRASAD RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether grants in the form of foodgrains are being made available by foreign countries to assist in combating severe drought in the country during the current year; and

(b) if so, the names of the countries and the kind of foodgrains provided?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) Turkey has donated 200 tonnes of lentils and the USA 4 lakhs tonnes of Maize in order to assist in combating the current drought.

12.00 hrs.

[*English*]

(*Interruptions*)

MR. DEPUTY SPEAKER: Take your seats. If all of you shout, I cannot understand. Please take your seats.

(*Interruptions*)

MR. DEPUTY SPEAKER: All of you take your seats. If all of you stand at the same time, I cannot hear. If there is any point of order I will allow you but first all of you take your seats.

(*Interruptions*)

MR. DEPUTY SPEAKER: No, I cannot allow. Nothing will go on record.

(*Interruptions*)**

MR. DEPUTY SPEAKER: Without any order, I cannot allow anyone.

(*Interruptions*)**

MR. DEPUTY SPEAKER: Nothing will go on record. Please, all of you take your seats. Do you want to raise an issue just for the name sake or you actually want to raise it? Chaudhary Sahib please take your seat.

(*Interruptions*)

MR. DEPUTY SPEAKER: Mr. Thampan Thomas, regarding the Kerala Government, we have already received the matter under Rule 193. We have already received a substantive motion. We have referred it to the concerned Minister to get the information. Then only we can take it up. I have not allowed the Adjournment Motion. Please take your seat.

PROF. MADHU DANDAVATE (Rajapur): Sir, the MMTC has entered into export arrangement with a great loss to the exchequer. It involves probably kickbacks otherwise they will not sell it at a lower rate. The matter is to be investigated. It is a fit case either for discussion under Rule 193 or for Adjournment Motion.

MR. DEPUTY SPEAKER: Regarding the Adjournment Motion, consent is not given. Regarding 193, I will refer it to the Minister and get the information.

SHRI MADHUSUDAN VAIRALE (Akola): The West Bengal Chief Secretary refused to give protection to railway property on the 'bandh' day. If they cannot protect the railway property, why do they demand money for the construction of railways?

MR. DEPUTY SPEAKER: You give it in writing.

[Translation]

SHRI BANWARI LAL PUROHIT (Nagpur): A Central Minister was attacked in West Bengal and his driver injured. The attack was made on the office of the Congress Committee. *(Interruptions)*

[English]

MR. DEPUTY SPEAKER: It is the same thing.

[Translation]

SHRI BANWARI LAL PUROHIT: The same has also happened in Kerala.

[English]

The Home Minister should make a Statement. *(Interruptions)*

MR. DEPUTY SPEAKER: You give it in writing. I will see it.

DR. G.S. RAJHANS (Jhanjarpur): Hindi has been banned in Nagaland Assembly. MLAs are not allowed to speak in Hindi. This is a serious situation and the Government should come out with a statement immediately. *(Interruptions)*

MR. DEPUTY SPEAKER: You give it in writing. I will see it.

SHRI SHANTARAM NAIK (Panaji): In the Nagaland Assembly, Members are not allowed to speak in Hindi. This is a violation of Article 210 of the Constitution. This House is the mother of all the State Legislatures. *(Interruptions)*

MR. DEPUTY SPEAKER: This is a State matter.

SHRI SHANTARAM NAIK: This is not a State matter. It is a gross violation of Article 210. *(Interruptions)*

SHRI BANWARI LAL PUROHIT: If a Central Minister is attacked how can it be a State matter? This is the responsibility of the Home Minister. *(Interruptions)*

SHRI BASUDEB ACHARIA (Bankura): He has allowed me. With his permission I am making a submission.

MR. DEPUTY SPEAKER: What is your point of order?

SHRI BASUDEB ACHARIA: Seven lakh coal workers are on strike from 15th March. They are on strike for seven days.

MR. DEPUTY SPEAKER: It has already been admitted under Rule 377.

SHRI BASUDEB ACHARIA: A Statement under Rule 377 will not do. The Minister should make a statement.

SHRI AMAL DATTA (Diamond Harbour): Here is an evidence of police lathi charge on the peaceful women demonstrators. There are so many pictures. The police are not taking action.

MR. DEPUTY SPEAKER: The Minister is going to make a statement on that regarding the Bandh. Please wait.

SHRI V. SOBHANADREESWARA RAO (Vijayawada): Millions of farmers are very much worried and disturbed over the reported news that the Union Government is backing out of crop insurance scheme. So, a discussion be allowed on this issue, Sir.

MR. DEPUTY SPEAKER: You give it in writing.

SHRI V. SOBHANADREESWARA RAO: I have given notice under Rule 193 and Calling attention. Please admit it for discussion.

SHRI NARAYAN CHOUBEY (Midnapore): Forty thousand DTC workers are on strike. The Government must make a Statement. Thousands of buses have been brought from outside. The police are being used. One thousand people were arrested. Government is spending so much.... *(Interruptions)*

MR. DEPUTY SPEAKER: Mr. Mewa Singh Gill, what is your point of order?

SHRI M.S. GILL (Ludhiana): Advocates are on strike for the last so many months throughout India, especially in Punjab, Haryana, Himachal Pradesh, Rajasthan and U.P. The Prime Minister and the Government should be asked to receive their representatives and discuss the matter across the table.

MR. DEPUTY SPEAKER: Already this matter has been raised. We will see.

(Interruptions)

MR. DEPUTY SPEAKER: Whatever you want, you give it in writing.

(Interruptions)

MR. DEPUTY SPEAKER: I would request the hon. Members to take their seats. Shri Ajit Panja—Papers to be laid.

(Interruptions)

12.08 hrs.

PAPERS LAID ON THE TABLE

[English]

Notification under Customs Act, 1962

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): I beg to lay on the Table a copy of Notification No. G.S.R. 329(E) (Hindi and English versions) published in Gazette of India dated the 7th March, 1988 together with an explanatory memorandum extending the validity of Notification No. 284/85-Customs dated the 2nd September, 1985 upto 31st March, 1990 under section 159 of the Customs Act, 1962. [Placed in Library. See No. LT-5723/88]

Notification under General Insurance Business (Nationalisation) Act 1972, Seventeenth Valuation Report of Life Insurance Corporation of India as on 31.3.1987 etc.

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): I beg to lay on the Table--

- (1) A copy of the General Insurance (Rationalisation of Pay Scales and other Conditions of Service of Officers) Amendment Scheme, 1988 (Hindi and English versions) published in Notification No. S.O. 138(E) in Gazette of India dated the 29th January, 1988, under sub-section (5) of Section 17A of the General Insurance Business (Nationalisation) Act, 1972. [Placed in Library. See No. LT-5724/88]
- (2) A copy of Seventeenth Valuation Report (Hindi and English versions) of the Life Insurance Corporation of India as on 31st March, 1987, under section 29 of the Life Insurance Corporation Act, 1956. [Placed in Library. See No. LT-5725/88]
- (3) A Statement (Hindi and English versions) the results of market loans floated in December, 1987 and February, 1988. [Placed in Library. See No. LT-5726/88]

Detailed Demands for Grants of Ministry of Law and Justice Registration of Elections (Second Amendment) Rules 1987

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): I beg to lay on the Table--

- (1) A copy of the Detailed Demands for Grants (Hindi and English versions) of the Ministry of Law and Justice for 1988-89. [Placed in Library. See No. LT-5727/88]

- (2) A copy of the Registration of Elections (Second Amendment) Rules, 1987 (Hindi and English versions) published in Notification No. S.O. 1128(E) in Gazette of India, dated the 29th December, 1987 under sub-section (3) of section 28 of the Representation of the People Act, 1950. [Placed in Library. See No.LT-5728/88]

12.09 hrs.

COMMITTEE ON ABSENCE OF MEMBERS
FROM THE SITTINGS OF THE HOUSE

Eleventh Report

[English]

CH. RAM PRAKASH (Ambala): I beg to present the Eleventh Report (Hindi and English versions) of the Committee on Absence of Members from the sittings of the House.

MR. DEPUTY SPEAKER: The Minister is making a statement. If you shout like this, you cannot hear him. Afterwards don't blame me. If you are interested, listen to the Minister's statement.

SHRI THAMPAN THOMAS (Mavelikara): We are very much interested in the Minister's statement.

12.10 hrs.

STATEMENT RE: BANDH ON 15TH
MARCH, 1988

[English]

MR. DEPUTY SPEAKER: Now Mr. Buta Singh. (Interruptions) Order, please.

THE MINISTER OF HOME AFFAIRS (S. BUTA SINGH): Mr. Deputy Speaker, Sir: I rise to inform the House about the factual position with regard to Bandh on 15th March. The call for Bandh was given jointly

by some political parties to be observed on 15th March, 1988. This call also coincided with the call for 3-day strike given by some Unions in Central Public Sector Undertakings from 14th March. I am happy to inform the House that in spite of the call given by these parties, life generally in the country was normal on that day.... (Interruptions)

MR. DEPUTY SPEAKER: Please.... order. (Interruptions)

S. BUTA SINGH: I am happy to inform the House that in spite of the call given by these parties, life generally in the country was normal on that day except for the States of West Bengal, Kerala and to some extent in Andhra Pradesh and Karnataka. Impact would have been negligible, had the call for strike by the Central Public Sector Undertakings not been given.

State Government offices did not function in West Bengal and Kerala and were partially affected in Karnataka and Andhra Pradesh due to the stand taken by these State Governments. In the remaining States, the attendance of the State Government employees as well as the Central Government employees was normal (Interruptions)...

Kindly listen. You should listen to facts... (Interruptions) Even in Kerala and Andhra Pradesh, the attendance in some of the Central Government offices was reported to be 40 to 50 per cent. In West Bengal, about 10 to 15 per cent of the Central Government employees attended offices by staying overnight in their offices. Had these State Governments made arrangements for providing adequate public transport facilities, it is more than likely that the attendance in Central Government offices as well as in State Government offices in these States would have been much higher. (Interruptions)

MR. DEPUTY SPEAKER: Please... order.

S. BUTA SINGH: Please listen now; these are the facts. (Interruptions) As the hon. Members might have noticed, life

in Delhi was absolutely normal....
(Interruptions)

SHRI AMAL DATTA (Diamond Harbour):
See these photographs of lathi charge on
women demonstrators... (Interruptions)

MR. DEPUTY SPEAKER: Please listen.
First listen to the statement.

S. BUTA SINGH: I am coming to that. I
know. I am coming to that.

MR. DEPUTY SPEAKER: First listen to the
Minister's statement.

S. BUTA SINGH: Even in Haryana, at-
tendance in Government offices was nor-
mal.

In West Bengal, Kerala, Karnataka and
Andhra Pradesh, public transport especially
in urban areas was totally withdrawn and
limited private transport was plying in Kar-
nataka and Andhra Pradesh only.
(Interruptions)....

These are the facts.... (Interruptions)

It seems apparently, no attempt was
made by these State Governments to en-
sure the availability of public transport fa-
cilities for obvious reasons. In rest of the
country, road transport services were run-
ning more or less normally.

Schools and colleges were closed in
West Bengal, Kerala, Andhra Pradesh and
Karnataka. In Tamil Nadu, attendance in
Government Colleges was low, and private
schools were closed. In Bihar, most of the
educational institutions were open, and ex-
aminations were conducted as per sched-
ule..... (Interruptions)

SHRI BASUDEB ACHARIA (Bankura):
Many people were killed in police firing.

S. BUTA SINGH: Even in West Bengal,
examinations under Central Board of Sec-
ondary Education were conducted. Inrest
of the country, educational institutions
functioned normally.

Rail services were normal in Northern,

Western, Central and North-Eastern zones.
However, in the Eastern zone, train ser-
vices were totally suspended in West Ben-
gal except the Calcutta Metro which ran
normally. There was some disruption in
Southern (Kerala area), North-East Frontier
(West Bengal areas), South-Eastern and
South-Central zones. Interference/picke-
ting etc. by Bandh supporters was noticed
extensively in Kerala and West Bengal.
Some minor incidents also took place in
Andhra Pradesh and Assam. No railway
property was damaged at any place.

Indian Airlines operated all its sched-
uled flights from Bombay, Delhi, Madras,
Hyderabad and Bangalore.

AN HON. MEMBER: Except Calcutta.

S. BUTA SINGH: Three additional char-
tered flights were also operated from Delhi
to Guwahati and back. Though IAC flights
to Calcutta from Delhi, Madras and Bom-
bay took place, no flight originated from
Calcutta. All the scheduled Vayudoot ser-
vices from Calcutta were operated. Simi-
larly Air India and other international carri-
ers operated all international flights. Cal-
cutta airport also handled 3 international
flights which had been diverted to it from
Dhaka. There was 100 per cent attendance
in all the 96 airports including Calcutta
Airport.

Telecommunication facilities worked
normally except in West Bengal and Kerala.
Similarly, post offices functioned normally
in most of the country except in West Ben-
gal and Kerala. Movement of postal vans
was, however, affected in Karnataka, Tamil
Nadu, Kerala, Assam and Andhra Pradesh.
Port operations were normal in Bombay,
Madras, Paradeep, Tuticorin, Visakhapat-
nam and Kandla. Port operations were also
normal in Calcutta though attendance of
the class III employees was around 30 to
35 per cent.

Banking services were seriously affected
in majority of the States on account of 3
day strike call. However, State Bank of In-
dia personnel did not take part in the strike
and the S.B.I. branches functioned nor-
mally.

In spite of six day strike call in the Coal Industry as well as the call for Bandh, attendance and production in Coal India Ltd. was around 55 to 60 per cent. Similarly, in Neyvelli Lignite Corporation, production was normal though attendance was low. The production and attendance in Southern Coking Coal Ltd. was, however, greatly affected.

SHRI SOMNATH CHATTERJEE (Bolpur): It was more than 190 per cent!

S. BUTA SINGH: I said it was greatly affected. Why are you mis-reading my statement?

SHRI NARAYAN CHOUBEY (Midnapore): Who can mislead you? You misled everybody!

S. BUTA SINGH: In Steel sector, Durgapur was affected while as attendance in Bokaro, Bhilai and Rourkela was 75 per cent, 90 per cent and 55 per cent respectively. Power stations and offices under the Department of Atomic Energy functioned normally. Power generation and supply was normal throughout the country. *(Interruptions)*

In the Petroleum sector, oil production activities were reported to be normal and all Refineries functioned normally except at Barauni, Mathura and Haldia which were partially affected. *(Interruptions)*

Some incidents of firing have been reported: two in Bihar, one in Andhra Pradesh, two in Tamil Nadu, one in Rajasthan and one in Assam.

SHRI THAMPAN THOMAS (Mavelikara): What about Kerala? Two persons were shot dead. You have not included it in the statement. Congress I instigated firing.

S. BUTA SINGH: One person is reported to have died in Bihar as a result of police firing. A few cases of arson of vehicles and stone pelting have been reported from Andhra Pradesh, Kerala, Tamil Nadu, West Bengal, Maharashtra and Bihar.

At 11.40 hours, information was re-

ceived at Police Station, Connaught Place that DTC buses were being stoned by some women near Plaza bus stand. Patrolling staff and SHO Connaught Place reached the spot immediately. Two DTC buses and one private bus had their wind screens smashed. About 20 women and men led by a women leader were shouting slogans in support of Bandh. They had blocked the entire road by forming a chain by holding hands with each other and some amongst them were still throwing stones at vehicles. The entire traffic had been blocked and the shopkeepers had started pulling down their shutters in panic. The SHO Connaught Place warned them to desist from these acts and to disperse forthwith. Repeated directions of SHO were ignored and consequently with the help of lady Police the agitators were arrested and taken to Police Station, Connaught Place. *(Interruptions)*

SHRI SOMNATH CHATTERJEE: You beat them up!

SHRI BASUDEB ACHARIA: You try to see the photographs. *(Interruptions)*

S. BUTA SINGH: I am reading a statement. Do not disturb me. *(Interruptions)*

SHRI SURESH KURUP (Kottayam): The Minister may explain why no women Police were used and why men Police were used. *(Interruptions)*

S. BUTA SINGH: Why do you not listen? I am saying all this. You listen.

During this episode, Shri Chander Bhan, the driver of DTC bus was injured by a stone which hit him on the right side of his head. When the rioters disembarked from the bus near Connaught Place Police Station, one constable was surrounded by several women led by Smt. Brinda Karat and assaulted. His uniform was torn and he was physically beaten. The constable managed to break free from the mob with the help of lady police. In the melee, it appears Smt. Brindakarat also sustained injury in her right fore-arm and knee. Two constables were injured and were admitted in the hospital. Cases have been registered under

the IPC and Prevention of Damage to Public Property Act. *(Interruptions)*

MR. DEPUTY SPEAKER: If you feel you are not satisfied, you give a privilege motion.

(Interruptions)

S. BUTA SINGH: I am making a statement on this. You first listen to me.

MR. DEPUTY SPEAKER: First you listen.

(Interruptions)

MR. DEPUTY SPEAKER: You carry on, Mr. Minister.

S. BUTA SINGH: Unfortunately you do not listen. You listen. *(Interruptions)*

You listen to this paragraph.

A complaint was received from Shrimati Amarjit Kaur, and office bearer of CPI alleging assault on Shrimati Brinda Karat by a constable. Another complaint was subsequently received from Shrimati Brinda Karat. A preliminary inquiry to establish the facts and circumstances of the alleged incident has been ordered to be conducted by ACP (Headquarters), New Delhi District. *(Interruptions)*

SHRI SAIFUDDIN CHOWDHARY (Katwa): What will the ACP do? We want a judicial inquiry. *(Interruptions)*

S. BUTA SINGH: In all 12 women and 22 men were arrested under various sections of law and eight women were detained under section 65 of Delhi Police Act and subsequently released. *(Interruptions)*

It is unfortunate that in a democratic set up some political parties have taken to undemocratic steps particularly when large parts of the country are reeling under the onslaught of severe drought. While it is the basic right of every citizen in this country to express his opinion for or against the Government and its policies, no democratic system can function if there are deliberate attempts to disrupt the normal life of the

people. State Governments have an obligation under the Constitution to ensure the smooth functioning of the State and Central Government offices as well as providing efficient public services for the welfare of the people of the State. And yet in some of the States ruled by the Opposition Parties, the State Governments disregarded these constitutional obligations. As the Honourable Members are aware, except for these few States, there was hardly any response from the rest of the country to the call for Bandh. Even in these States, in certain areas, but for the withdrawal of State transport services by the State Governments, the result might have been different.

Attempts by the miscreants to disrupt train and vehicular traffic in some States were foiled and some of the anti-social elements had to be detained. It is but natural that to prevent lawlessness and destruction of public property, preventive measures in a selective manner had to be taken. Some preventive arrests were made in Maharashtra, Tamil Nadu, Orissa, Bihar and Uttar Pradesh and some other States. However, as per our reports, most of them have been released or are being released. I appeal to this Honourable House to condemn the irresponsible acts by anti-social elements in some of the States. I take this opportunity to congratulate people of this country in general and workers and employees in particular through this House for rejecting this undemocratic call for Bandh and thereby expressing their total lack of confidence in the policies pursued by these political parties. *(Interruptions)*

SHRI THAMPAN THOMAS: We want a discussion on it. *(Interruptions)*

SHRI SAIFUDDIN CHOWDHARY (Katwa): We have given a notice under rule 193. *(Interruptions)*

MR. DEPUTY-SPEAKER: I can't allow it. *(Interruptions)*

12.27 hrs.

At this stage, Shri Basudeb Acharia and some other hon. Members left the House.

(Interruptions)

SHRI THAMPAN THOMAS: We want a discussion on it.

MR. DEPUTY SPEAKER: Give it in writing. We will see.

SHRI THAMPAN THOMAS: I have already given a notice in the morning before ten O'clock.

MR. DEPUTY SPEAKER: Shri Bhagat.

12.28 hrs.

BUSINESS OF THE HOUSE

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF INFORMATION AND BROADCASTING (SHRI H.K.L. BHAGAT): Sir, with your permission, I rise to announce that Government Business in this House during the week commencing 21st March, 1988, will consist of:

- (1) Consideration of any item of Government Business carried over from today's Order Paper.
- (2) Discussion on the Resolutions seeking disapproval of the following Ordinances together with consideration and passing of the Bills, as passed by Rajya Sabha, replacing them.
 - (a) The Major Port Trusts (Amendment) Ordinance, 1988.
 - (b) The Delhi Municipal Corporation (Amendment) Ordinance, 1987.
 - (c) The Delhi Administration (Amendment) Ordinance, 1987.
- (3) Consideration and passing of:
 - (a) The Illegal Migrants (Determination by Tri-

bunals) Amendment Bill, 1987.

- (b) The Constitution (Fifty-Ninth Amendment) Bill, 1988, as passed by Rajya Sabha.
- (4) General discussion on the Punjab Budget for 1988-89
- (5) Discussion and voting on:
 - (a) Demands for Grants on Account (Punjab) for 1988-89.
 - (b) Supplementary Demands for Grants (Punjab) for 1987-88.
- (6) General Discussion on the Tamil Nadu Budget for 1988-89.
- (7) Discussion and voting on:
 - (a) Demands for Grants on Account (Tamil Nadu) for 1988-89.
 - (b) Supplementary Demands for Grants (Tamil Nadu) for 1987-88.
- (8) Discussion and voting of the Demands for Grants under the control of the following Ministries:
 - (a) Human Resource Development.
 - (b) Textiles.

[Translation]

SHRI AZIZ QURESHI (Satna): The following item may be included in the next week's agenda.

The Satna Parliamentary Constituency is a backward area where Railway Department has not made much development. Satna Rewa railway line has been sanctioned but the pace of work is very slow. There is no direct link between Satna and Bhopal, the capital of the State. The 133/134 train which operates thrice a

week from Howrah to Ahmedabad via Nagpur has not been diverted through Jabalpur and Santal in spite of persistent demand of the people of this area. In spite of a long standing demand no orders have yet been issued to provide a stoppage of Mahanagri and Ganga-Kaveri trains at Mehar, an historical city which is visited by thousands of people for religious and cultural purposes. Similarly, the necessity of running a passenger train between Katni and Kaipore for the convenience of labourers, Adivasis and the people of the weaker section, is also not being considered. The reservation quota from Satna to Bombay, Calcutta and other places is also very meagre as a result of which the people are facing a great difficulty. The construction work relating to development of Satna as a model railway station and the third platform has not been started so far. Action to name a station in Madhya Pradesh after Chitrakut for passengers bound for that place, has still not been initiated. Similarly, facilities like additional waiting rooms, retiring rooms, toilets and drinking water in the area of Satna, Mahiya and Chitrakut are unsatisfactory.

The Minister of Railways may kindly pass orders as soon as possible for completing all these works after giving them due consideration.

[English]

SHRI NARAYAN CHOUBEY (Midnapore): The following items may be included in the next week's agenda:

The entire telephone system in the whole country particularly in West Bengal and Midnapore District is out of gear. Whereas telephone charges have sharply increased, service has fallen very badly. Over and above, the users are further tortured by false and wrong bills. There is none to hear the complaints of the users. Reports here and there go un-noticed. Due to acute shortage of staff and spares the situation becomes further grave. The Government must take positive steps in this regard.

The service at the Ram Manohar Lohia

Hospital is becoming worse every day. Many pieces of equipment bought at huge cost are either lying idle or are out of order. Little time is available for the authorities in charge of the Hospital to look into the administration side. The Government should institute a thorough inquiry for taking remedial measures for improvement of service in this big hospital.

[Translation]

SHRI HAFIZ MOHD. SIDDIQ (Moradabad): The following item may kindly be included in the next week's agenda.

Keeping in view the population of minorities in the country, their economic condition is very pitiable and critical. They lack education. In the circumstances, I urge the Government of India that the schools of minorities should be specially promoted and similarly preference should be given to them in employment in proportionate to their population so that their economic condition may improve, poverty may be eradicated and their proportionate representation in services be ensured.

SHRI HARISH RAWAT (Almora): I want to urge the hon. Minister of Parliamentary Affairs that the following two items may be included in the next weeks's agenda.

1. The prospects of Rabi crop after the Kharif crop have been practically reduced to nil in the unirrigated areas. Due to lack of funds and inadequacy of employment opportunities under the drought relief programmes, the situation has reached almost a point of starvation. For instance in my constituency the irrigation facilities exist for namesake only.

2. Officials and employees of more than 70 public sector undertakings are agitating for interim relief. A high-powered commission appointed to fix their pay scales recommended a long time ago an interim relief to them. But the Central Government is delaying unnecessarily the implementation of their recommendation.

Therefore, discussion on these points is essential in the House.

PROF. NIRMALA KUMARI SHAKTAWAT (Chittorgarh): My following item may be included in the next week's agenda.

Although most of the country is affected by severe drought of this century its most harrowing situation is visible in Rajasthan. As a result due to malnutrition and deficiency of vitamin 'A' the cornea of children and old people have started drying.

This does not occur all of a sudden. Malnutrition and long time hunger acts as a slow poison. Where there is a severity of drought as in Rajasthan, the people first become victims of night blindness due to lack of vitamin 'A'. This night blindness is a serious alarm of trouble but the drought stricken people are not bothering about it even after coming to know about this danger. Due to night blindness thousands of labourers spend their night at the sites only because they cannot go home in darkness.

Therefore I demand that the Central Government should ascertain the correct position by deputing a special medical group to these border districts of Rajasthan. The people affected by malnutrition should be provided with vitamin 'A' rich food and medicines should also be made available immediately.

SHRI NANDIAL CHOUDHARY (Sagar): Mr. Deputy Speaker, Sir, the following item may be included in the next week's agenda.

There has been a long-standing demand of the people for introducing an express train from Bombay to Allahabad via Bina-Sagar-Katni section and vice-versa. The people have to travel frequently between Allahabad and Bombay for immersion of ashes, *mundan* ceremonies and other business matters. The people have to face great difficulty due to non-availability of any direct express train between Allahabad and Bombay via Bina-Sagar-Katni.

Therefore, there is an urgent need to run an express train via Bina-Sagar-Katni.

SHRI MOHD. MAHFOOZ ALI KHAN (Etah): Sir, the following matter may please be included in the next week's agenda.

Urdu is the second largest spoken language of our country. During the period of Freedom movement most of the patriotic songs were in this language. In those days the famous song of Ram Prasad Bismil, "*Sarfarooshi ki Tamanna ab hamare dil mein hai*" was on the tongue of every child. This is not the language of any particular community. This language is a mixture of many languages which include Persian, Arabic, Hindi, Sanskrit, Turki and other Indian languages. The poetry of Ameer Khusro is a sample of mixed civilization of Urdu and Hindi, languages. Urdu is not a foreign language but purely an Indian language as it originated in our country. *Gazals* in this language are not only very much popular in our country but are also sung and heard in many countries of the world. Urdu knowing people live in every country of the world. I would like to urge upon the Government of India through this august House that:

1. Urdu should be recognised as a second official language in Uttar Pradesh, Bihar, West Bengal, Delhi, Jammu and Kashmir and in such other States where Urdu is the mothertongue of more than 10 per cent of the population.

2. Along with Hindi, Urdu should be adopted as a compulsory language in the schools of those States where three language formula is in force.

3. Gazettes of the Central Government, Railway Time-Tables and other information should be published in Urdu.

4. More financial assistance should be granted to Urdu Academies and a close watch should be kept upon those Academies so that they work for the progress of Urdu language.

5. Government advertisements should be given to Urdu Magazines and newspapers.

SHRI VIJOY KUMAR YADAV (Nalanda): Mr. Deputy Speaker, Sir, the following matter may please be included in the agenda for the week commencing from 21st March, 1988.

As per the decision of the Government at least one industry is to be set up at the Central Government expenses in each of the industrially backward districts. But it is regretfull that no such step has been taken in Bihar.

The Nalanda district of Bihar is very backward and has been selected for an agro-based industry.

I, therefore, request that the question regarding setting up an agro-based Industry in the Nalanda district must be discussed during next week.

[English]

SHRIMATI JAYANTI PATNAIK (Cuttack): Sir, the following matter may please be included in the next week's agenda:

In the historical process of declaration of backward areas, Orissa has suffered a great deal. While in many other advanced States, Taluqas are the units for declaration as backward area, the unit is a district in Orissa. This has led to a very peculiar situation. Different Taluqas in industrially advanced districts in many industrially advanced States, located not very far from highly developed industrial growth centres, have been declared as backward areas. In Orissa, except for a few urban centres like Rourkela, Cuttack, Bhubaneswar and Talcher, the entire State is industrially very backward, yet five districts are counted as the so-called non-backward areas. The Sivaraman Committee on Backward Area Development has emphasised this anomaly in the national context. The Government of Orissa have strongly recommended acceptance of the recommendation of the Sivaraman Committee in the interest of removing regional imbalance in industrial sector. I request the Government of India to take a quick decision in the matter.

SHRI SOMNATH RATH (Aska): The fol-

lowing matter may be included in the next week agenda.

A Coastal Steamer Service between Haldia and Visakhapatnam via Paradip and Gopalpur is necessary. At present there is one single railway line from Calcutta to Visakhapatnam and there is heavy traffic load on the railway. The Bay of Bengal is linked to the hinterland of West Bengal, Madhya Pradesh, Bihar, Orissa and Andhra Pradesh through Haldia, Paradip, Gopalpur and Visakhapatnam ports. To develop the tourist trade and also to relieve pressure on single railway line and to cater to the industrial needs of Orissa and other States through the Coastal Marine Transport, the steamer service should be introduced.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF INFORMATION AND BROADCASTING (SHRI H.K.L. BHAGAT): I will bring the Submissions made by the hon. Members to the notice of Business Advisory Committee.

12.41 hrs.

ELECTION TO COMMITTEE

[English]

Marine Products Export Development Authority

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): I beg to move:

"That in pursuance of sub-section 3 (c) of section 4 of the Marine Products Export Development Authority Act 1972, the members of this House do proceed to elect, in such manner as the Speaker may direct, one member from among themselves to serve as member of the Marine Products Export Development Authority subject to the other provisions of the said Act vice Shri A.G. Subburaman died."

MR. DEPUTY-SPEAKER: The question is:

"That in pursuance of sub-section 3 (c) of section 4 of the Marine Products Export Development Authority Act 1972, the members of this House do proceed to elect, in such manner as the Speaker may direct, one member from among themselves to serve as member of the Marine Products Export Development Authority, subject to the other provisions of the said Act vice Shri A.G. Subbhuraman died."

The motion was adopted

12.42 hrs.

GENERAL BUDGET (1988-89) GENERAL
DISCUSSION--*Contd.*

[Translation]

SHRI BALWANT SINGH RAMOOWALIA (Sangrur): Mr Deputy Speaker, Sir I thank you for giving me time to express my views on the General Budget.

The Government have given due consideration to farmers in this Budget. It proves that the economic condition and difficulties of farmers have compelled the Government to think about them. This is the first time in the last forty years when the Government has been forced to think about the difficulties of farmers.

If the Government is really serious about the problems of farmers, then it should celebrate the year of 1988-89 as a 'Farmers Year' in the same way as we celebrated the "Women Year" and the Year for the Handicapped. As a thorough check up is essential to diagnose ailments of human body, in the same way, I urge upon the Government that in order to thoroughly consider the economic, fiscal and other problems relating to production after studying their socio-economic position, the pressure and conditions of work, hours of work, their unemployment, sickness in their homes, the pressure on their lands and to find out remedies

thereof. The next year should be celebrated as a Farmers' year.

In order to ensure all round development of farmers we will have to reserve some funds for their children.

I feel that adequate educational facilities should be provided to the children of farmers. I want to tell a story to you. A vegetable vendor was separating the rotten vegetables on one side, then somebody asked him, to whom he would sell these vegetables. The vegetable vendor replied that any villager or any poor farmer would take these vegetables to his house. What I mean to say is that this is the condition of the farmers of our country. The farmers not only become victims of the loot being indulged by the junior level officers but also bear the burden of the economy. You are aware that mostly the sons of farmers join military service. Therefore, it is the duty of the Government to ensure all round development of farmers and celebrate the coming year as a farmers' year. Along with this more than 60% amount of the Budget should be allotted for solving the various problems being faced by the farmers. If the Government does all this then the people will realise the good intentions of the Government. It would give a good name to the Government and the economic condition of farmers would flourish.

I would like to submit one more thing that the Government should give its utmost attention towards the I.R.D.P. programme and more money should be allocated for this programme. In addition to it, the Government should also fix a focal point of 10-12 villages from where the farmers can get good quality diesel, petrol, fertilizers and other agricultural inputs. The farmers will be highly benefitted if they are provided with good feeding guidance near their houses for the care and improvement of the breed of their cattle-wealth. The Government will have to take care of all these things.

As a result of advancing Bank loans to buy cows and buffalows supply of milk in the nearby milk depots has increased and the prices of milk have fallen down.

Therefore, the Government will also have to give its attention towards the problem of monitoring.

We have granted many honours, awards etc. Good players or militarymen are given awards like Padmashree. But the farmer does not get any such award. You are aware that more than 75% of the total foodgrains which are procured by the Central Government, are supplied by Haryana, Western Uttar Pradesh and Punjab. Therefore, the Government should make arrangements for awarding honours to the farmers in States in accordance with their contribution to the stock of foodgrains.

The Finance Minister has recently announced some relief for wells and tubewells but we should give our special attention towards giving electricity to those areas where the pumpsets and tubewells are being installed.

The urban ceiling has not even touched yet. I am in favour of land ceiling but two things are being done in the name of land ceiling. The land of the farmers is acquired at a rate of Rs. 5-10 per square yard but later on that very land is sold at a rate of Rs. 1000/- or Rs. 1500/- and even more per square yard. I think that there should not be much difference between the rate of acquisition of the land and the rate of selling it afterwards. The price of urban property is increasing very rapidly in comparison to that of the property of farmers. At several places the price of 100 square yards of urban property is more than that of the two acre land of a farmer. Therefore, the Government should give its attention towards the urban land ceiling.

I want to urge upon the Government through you to pay more attention towards setting up agro-based industries. For this purpose, arrangements for research should be made and special programmes should be chalked out. The farmers sell their produce in the form of a raw-material. Their wheat, sugarcane and vegetables find

their way direct to the grain markets. I have recently seen in the case of paddy at four or five places in Punjab that rice is separated by shelling and the same is then disposed of in the grain markets. In this way the farmer gets more money for his produce. I think that the Government should give facilities to farmers for setting up cottage industries for extraction of tomato juice and fruit juice so that they may sell their produce in the form of a semi-prepared material instead of as a raw material.

In addition to it, I would also like to urge upon the Government to close the bigger flour mills totally and arrange to install small flour mills in villages so that the farmers may sell flour in place of wheat. If the Government make arrangements for agro-based industries then the burden upon cities would decrease.

With these words, I conclude my speech.

[English]

MR. DEPUTY SPEAKER: Shri K.P. Singh Deo.

SHRI K.P. SINGH DEO (Dhenkanal): Thank you very much, Mr. Deputy-Speaker, Sir

MR. DEPUTY-SPEAKER: I will be very thankful if you complete your speech within 10 minutes.

SHRI K.P. SINGH DEO: Col. Mushran is asking me to cut short.

SHRI AJAY MUSHRAN (Jabalpur): Because I will be speaking after him.

MR. DEPUTY-SPEAKER: I am the presiding officer; he is not. Now-a-days, Mr. Mushran is very active in advising others.

SHRI K.P. SINGH DEO: Mr. Deputy-Speaker, I rise to support the Budget. First of all, it has to be viewed in the backdrop of last years economy and performance

[Shri K.P. Singh Deo]

and as the Economic Survey has very clearly and lucidly brought out, the fact that economic performance and management during the year have been dominated by natural calamities of drought and floods. What is worse, this year's drought and floods followed by three successive years of poor monsoon have affected the economic activity and our Prime Minister has described it as the worst drought of the century.

Sir, weather and climate are natural resources for any country; it is common sense. They constitute an important input in planning and executing all weather sensitive activities. This is not something very new. This is realised even by our ancient seers and by our ancient civilisation. It finds mention in the Rig Veda, the Ramayana, the Mahabharata and even in the Greek, the Egyptian, the Phoenecious the Roman and the Arabian literature and even Aristotle has, in his study and in his research, Metereologica mentioned it. Therefore, to admit a fact is a very good thing and it is heartening that we have now been successful. I congratulate the Prime Minister and the Minister for Science and Technology and our scientists for the Indian Remote Sensing Satellite IRS IA which will help in studying monsoons and also help our farmers with planning out their crop pattern and the type of crop, the duration of the crop, keeping the monsoons and the weather in view.

The Finance Minister has also admitted that there has been development and diversification of our economy over the long years and it has helped in arresting the severity of the drought as well as the very quick response given by our Prime Minister when he sent Central team from the Planning Commission even though most of the States were not ready with their damage reports and this will definitely help in containing, to a great extent, the sufferings of our people in the major parts of our country due to drought and floods. Added to it, our intrepid farmers and our agricultural scientists and technologists who have helped with food security and massive buffer stock and our administration through the public distribution system has

also managed to reduce the impact of the drought. We have to take a deeper look into the public distribution system because in certain States, it has not developed so well and specially in the ITDP areas the MADA areas and the tribally predominant areas where the weaker sections do need this sort of cheaper foodgrains at more economic prices. The scheme will remain a dead letter unless the institutional arrangements and back-up facilities are provided. He has also reiterated the Government's endeavour and its commitment to the highest priority being given to the public sector and also the very fact that last year Rs. 236 crores was advanced to the various States to complete their irrigation projects, so that the farmers may get not only the benefit of the water which has been stored in our canals and which is drained due to faulty planning but also it will assure irrigation facilities. It is the only permanent safety measure as far as combating drought is concerned and, at the same time, at taming our rivers which will reduce the incidence of floods.

Since Budget is an instrument for managing the economy--and yesterday Prof.N.G. Ranga used very strong military language by saying it as weapon in the hands of the Government to manage the economy--let us critically analyse this Budget and see whether it really serves the purpose or not. In my opinion, because I believe that the beauty lies in the beholder's eye, in my own appreciation, I would like to analyse the Budget from the following points of view namely, does it cater to the producer that is, the small farmer, marginal farmer, the agricultural worker and the so called affluent farmer which my Leftist friends were eloquent upon.

13.00 hrs,

After land reforms, excepting a few areas in the country where benami, big kullaks and affluent farmers are there, the farmers as a whole in India are an impoverished lot. Secondly, does it help the consumers? The hon.Finance Minister has declared a lot of concessions to the consumers. But unless they are transferred

to the consumers, again they will remain a dead-letter and a pious wish. Does it help the wage-earners and the employees? Does it help the small-traders and industrialists, the cottage and tiny sector industrialists? Does it help the self-employed, the educated unemployed? Does it help the professionals i.e. the Lawyers, Doctors and Journalists? Of course, the journalists have been brought in. I wish that, apart from the working journalists, even the writers and poets who are there in the rural areas could also have been brought into this category. Whether the handicapped, the deprived, the disabled, the weak and the infirm have been catered to in this budget? Whether the retired i.e. the pensioners and others who are disabled, have they been catered to in the budget? Whether the backward and the under-developed--both persons as well as areas - have been catered to in the budget? Whether the Budget will stimulate savings, investments in our country? Whether it will stimulate exports and capital goods industry? Whether it will stimulate stock-market and share-market? Whether it will help modernisation and increase in efficiency? Will it restrict and reduce imports? Will it restrict and reduce the conspicuous spending, speculation, evasion smuggling, blackmarketing and corruption? They are, I would say, a combined internal threat to our India's security, about which many members have said a number of times on the floor of this House. Will it improve the balance of payments position, debt servicing and avoid the debt-trap? Many of the members were apprehensive about those things. Will it help the infrastructural development? Some of the infrastructural developments - I would mean the production of Steel, the production of coal, the generation of electricity, transportation, communication. These are some of the economic parameters and economic barometers by which a country's progress and the soundness of the fiscal and monetary policies are gauged and measured. If we examine the proposals which have been given by the hon. Finance Minister, there we see that he has taken into consideration the last year's economy, the economic

situation due to drought and the massive programmes the Government had to bring in in the form of expansion of relief and employment generating work, strengthening the Public Distribution System as well as the massive import of edible oils and fertilizers. This had definitely had a strain on the economy. But, at the same time, he has also mentioned of the impressive growth in industry and agriculture in spite of the fact of the worst drought of the century, that would go down by only 1-2 per cent of GNP as compared to 4.7 per cent in 1979 when another Government was in power. At the same time, he has also referred to another aspect that in spite of the worst drought of the century, in spite of the import bill going up, we have been able to manage to restrict the inflation to 9.8 per cent as compared to 21 per cent in 1979-80. Therefore, it is by the sound of economic management and supply management that we have been able to contain and reduce the impact of the worst drought of the century. Now, what has he in store for the people? When I say 'people', I say it is the entire country which has been beset with floods and drought and how has he tried to meet the people who have been suffering for the last four years.

First of all he has been mindful of the fact that these strains have resulted in costs and prices which have gone up and they need to be reduced. Therefore, he has taken certain positive measures. Specially he would like to utilise local available resources as an instrument for creating jobs by strengthening small, village and khadi industries which would cater to about more than 82 per cent of our population.

Then, we would like to increase Revenue Improvement Tax Compliance and Enforce Economic Laws of which our Hon. Minister of State was giving us figures yesterday. These have been quite satisfactory. That shows the efficacy of the governmental machinery in combating this evil of evasion and also avoidance of tax and better tax return as a result of soundness of the economic policies. (Interruptions) I will take a little more time.

MR. DEPUTY-SPEAKER: Be brief.

SHRI K.P. SINGH DEO: I can't be. If you want me to stop, I will stop here. But I have certain things of importance. I come from a State. *(Interruptions)*

MR. DEPUTY-SPEAKER: Other Members have also to speak.

SHRI K.P. SINGH DEO: I beg your pardon. I have to project the problems of my State which is reeling under three natural calamities—drought, flood and cyclone. And for the last 25 years, we have been suffering. You will have to bear with me. *(Interruptions)*

AN HON. MEMBER: Shri Mushran is sitting beside him. He can take most of his time. *(Interruptions)*

SHRI K.P. SINGH DEO: Within the limitations of our available resources, 86 per cent of our budgetary allocations have been allocated as a result of this Budget. Therefore, what he is trying to provide in a concise language is that he has taken a number of steps to benefit farmers, promote small and village industries, provide relief to the poor, protect and create more job, generate self-employment opportunities for the people, augment anti-poverty programmes such as, IRDP, NREP and RLEGP, initiate a number of measures to increase the flow of agricultural credit which is a very important fact to which I will come later, because the role of these credit institutions which really have a direct impact on the backwardness of the regional inequalities and regional imbalance. And also, he is trying to provide social security to the weaker and vulnerable sections of the society which has been neglected so far particularly, the Scheduled Castes, the Scheduled Tribes as well as rural artisans and the rural poor.

He has also announced new strategy for rural credit designed to serve every village. He has mentioned about the District Lead Bank Schemes which in some of the areas is most dismal—specially I know in my own

State, in my own district. The less said the better, I do hope. He will not go by the functioning of only the better quality lead banks. He would also take deeper look into the areas where they are not functioning properly.

He has also thought of this National Agricultural Credit Relief Fund for the farmers of the drought affected areas for re-scheduling of loans, postponement of old recoveries and reduction in the interest rate.

Only the other day, when the Hon. Agriculture Minister Shri Bhajan Lal was replying to a question, many of the Members both from the other side of the House as well as from our side, we did express our apprehension that in spite of utterances and statements in this House, there is coercive collection of dues from the drought affected farmers. These people are lords to themselves. They can threaten and black-mail the farmers. This sort of coercive things has to be stopped. Just writing letters to State Governments and giving directions and advice will not solve the problem at all.

He has been very thoughtful and mindful of the fact about that rural electrification which has helped in utilising the ground water has also to be extended to the poor farmers a scheme called 'JAL DHARA'. In this, I would like to mention that during the review of this year's drought, we found that lift irrigation pump sets which had been lying dormant for seven years could not be repaired because there were no grants or provision available for repairing or maintenance. Now there are various commissions - the Planning Commission, various Finance Commissions and various committees. I hope they would look into this aspect where repairing and maintenance would be an integral part of whatever asset we create—whether it is an irrigation project, a road or an alternative source of energy project - because there is no grant for repair and maintenance. We create something which once it starts malfunctioning, then it just withers and decays.

He has also thought of involving the quality of life of Harijan and Adivasis families by Kutir Jyoti. He has mentioned that for this purpose grants and loans will be given by State Electricity Boards and Rural Electrification Corporations. We know in this House and outside also the very poor state of affairs as for the liquidity of the State Electricity Boards which are unable even to pay their dues or even to pay their employees. Most of the State Electricity Boards at some part of the year or other go on strike for their rightful demands. Therefore, to put anything on the lap of the State Electricity Boards may be a counter productive thing because unless we improve the liquidity of the State Electricity Boards and the functioning of the State Electricity Boards, this will still remain a dead letter.

He has thought about the people living in the hilly areas. If one goes by the definition of the hilly areas, it will only be confined to the north eastern sector, J&K and Himachal Pradesh. Many of the State Chief Ministers and MPs have raised it before Parliament as well as with the Central Government saying that the definition of the hilly areas as has been enunciated does not cover people really living in the hilly areas because there are many States which have been excluded in this. There are tribals, adivasis and harijans living in the hilly areas which have so far not been included.

13.11 hrs.

[SHRI SOMNATH RATH *in the Chair*]

Take for instance my state, Orissa which has more than 40% of tribals and harijan population; where 9 out of 13 districts are parts of eastern ghats. But till now this has not been considered sympathetically. Therefore, I would urge through you that the definition of the hilly areas may be reviewed again, so that more people living in hilly areas who deserve to be helped through these measures can be brought into the ambit.

He has also referred to the National Housing Bank which was started by our Prime Minister last year with an initial capital of Rs. 100 crores and said that this will be further augmented, which is a step in the right direction. He has also thought of improving the Land Development Banks for housing finances for farmers. He has also brought in a new programme for housing of small and marginal farmers in the rural areas.

From a State where I come, although many of the villages have been termed as Notified Area Councils or municipalities which are really big mofusil villages or towns, there is more of a rural character and rustic character in them than urban character. There is a village called Bhuban where more than 21 people died and about 23000 people affected and the Prime Minister very generously immediately rushed aid there. About Rs. 8.8 crores worth of credit was given for building fire-proof houses. Since it happens to be a NAC which is one of the large villages in India, it will be deprived from this scheme. Therefore, I would urge upon the Government and the Minister through you that such mofusil towns and semi-urban areas which have been wrongly nomenclatured as urban areas should be brought into the ambit of fire-proof housing under HUDCO.

He has also referred to the village Abadi Environmental Improvement Scheme which is a very good thing for villages of population not exceeding 5000. I hope this will include drainage and sanitation. I would urge upon you that villages like Bhuban and Kamakhyanagar which you are very well aware of -- you had been our former Minister there--should also be brought into this ambit(Interruptions)

He has also mentioned about the ability of our scientists and engineers who have developed considerable expertise on low-cost housing. It is heartening that the effects of R&D on science and technology are being applied to rural development on the technological missions, which have been approved by the Prime Minister, especially on water which is about Rs.

[Shri K.P. Singh Deo]

7,000 crores -- on housing and on oilseeds. It is a step in the right direction. I hope this is followed in letter and spirit as far as these schemes are concerned.

Then, he has also announced landless labourers, artisans and other poor families in the rural areas under the General Insurance Scheme. Then, handloom workers, landless labourers, rickshaw pullers, drivers, daily wagers, casual employees also would be under the social security fund. These are very welcome measures and were long overdue. I must congratulate the hon. Finance Minister for being so thoughtful and compassionate to these weaker sections and the people who have been wage-earners.

He has also included primary school teachers, cooperative milk producers, workers in shops and commercial establishments, rural artisans like tailors, barbers, masons, carpenters. This is a very very progressive measure. I congratulate him for this.

He has also been thoughtful to the fact that in the IRDP, the breadwinner or the head of the family, in the case of his death, will be covered under the LIC. This is another progressive step. Then he has also thought about NABARD scheme for the scheduled castes and scheduled tribes-Finance Development Corporation. Then another important aspect - which has been discontinued was the thinking of sanitary wells. Again, he has revived it under the National Rural Employment Programme for the scheduled castes and scheduled tribes. We know with what great difficulty this segment of the society get their potable water. This is a fitting thing for the 40th anniversary of our Independence.

He has also extended the same facilities for *Kambals* and *Kambalis*, as has been done to *Khadi*. It is another good thing for the rural areas.

For small industries also, he has spared a thought. He has brought in a new scheme. Then for small entrepreneurs, who have problems in securing working capital, he has also thought about it. He has also

made a provision for stimulating healthy capital goods sector.

Then for the capital market, he is setting up the mutual fund for stock exchanges. Then the venture capital companies for scientific and technical manpower. Then for small investors, he has also thought about investing in new industrial undertakings. Then, he also thought of people, who have a habit of saving for a rainy day by Unit Trust of India as well as he has tried to help the exporters through the IDBI by a new scheme.

Another important aspect which he has dealt with is to encourage the workers' participation in management of industries which Government as well as hon. Members have been crying for so many years in this very House. These are all very welcome moves. I am sure, with this progressive trend, we will be able to cater to many of the demands voiced in this House.

Sir, working journalists have been considered for reasonable pension. Here again, I would say that in the rural areas, there are a lot of writers, poets and people who live by the power of the pen. I think they also should be brought into the ambit of this.

Another encouraging aspect is boosting small savings collections. Many of the State Governments depend on their resource mobilisation. I only hope he does not go into the resource mobilisation efforts of backward States like mine, West Bengal Bihar and Madhya Pradesh, where the hon. Colonel comes from.

I would skip over most of the economic budget estimates and the revised budget estimates. I would like to highlight two-three points. One is the question of the rural alleviation programme which has been very highly successful in the words of the Finance Minister and which he is trying to augment and increase. This is where I would like to sound a discordant note. Here is a letter from the Food and Civil Supplies Minister from Orissa dated 20th

February 1988 to all the Members of Parliament. I quote:

"Orissa was getting 30,000 tonnes of PDS rice from Government of India, Department of Food till January, 1988. In the month of February, 1988 this has been reduced to 20,000 tonnes. The State has been affected by the worst drought of the century."

The Finance Minister thought it fit to augment the schemes under Rural Employment Programme, Rural Water Programme, Rural Landless Guarantee Programme, at the time when Orissa is demanding 40,000 tonnes of rice and it has been reduced from 30,000 tonnes to 20,000 tonnes. I do hope it is a clerical or inadvertant mistake and hope it will be corrected.

My second point is that although this Budget can be called a 'Jai Kisan' Budget, it cannot be called a 'Jai Jawan' Budget. The hon. Railway Minister while speaking on the Railway Budget said that the morale of railway men depends upon how you look after the retired personnel. So, the morale of the fighting soldiers whom we have been eulogizing here in this House nearly every day for their excellent work whether in Sri Lanka, whether in Punjab or in the border areas, be in the Chinese front or Pakistan front, or wherever they have gone, our soldiers are second to none in the world. They have shown their calibre and their discipline dedication and loyalty. They have done a supreme sacrifice so that the country may live as an independent nation, without interference and without threat. How have we treated them?

Here are a number of points from the question answered by the hon. Rajya Raksha Minister. This is Unstarred Question No.1405 on 2nd March 1988 put by Shri Amarsinh Rathawa, on the recommendations of the High Level Committee on ex-servicemen. The points which have not been accepted are 'Enactment of a comprehensive National Ex-servicemen Resettlement Act and a Draft

Model Act for States' At the moment, there are 40 lakhs of ex-servicemen in the country. Every year it is growing by 70,000. Young people who are going out at the age of 35, have a dedicated discipline, highly skilled, dedicated and are motivated people. And the country is losing the benefit of their services and we are just throwing them to the wolves and they have to fend for themselves. This is one of the important recommendations of the High Level Committee, to enact the National Ex-servicemen Resettlement Act and a Draft Model Act for States. In this High Level Committee, they had Members from the Opposition, there were Members from the Ruling Party, there were Ministers from the State and from the Centre there were three retired very senior Armed Forces Officers and also administrators.

The second point is that the 'Establishment of an Ex-servicemen Resettlement Commission' has not been thought fit. About assured employment up to the age of 58, it was a unanimous resolution and recommendation to the Government, and now it has been considered and found to be unfeasible. Why not feasible? When people are ready to work for the nation, the nation has spent lakhs of rupees on their training and food and clothing, upgrading skill, why could not the nation take advantage of their skill and training to the age of 58 which we are extending to all the employees, whether in the civilian sector or elsewhere or in the public sector? Assured employment up to 58 years not found feasible. By whom has it been found not feasible? When five Ministers from the States, some of them are now Ministers in the Central Cabinet, five Ministers of the Centre, three distinguished and highly decorated soldiers of the three services, one Lt. General, one Air Marshal and one Vice Admiral and also administrators were in consultation and it was a combined wisdom on this. Who is sitting on this and saying that it is not found feasible, when it was found feasible in 1984?

The third one was dismantling of concessions after acceptance of assured

[Shri K.P. Singh Deo]

employment up to the age of 58 years, which is complementary to this.

Then, seniority and pay fixation of Emergency Commissioned and Short Service Commissioned Officers who joined pre-commission training or who were commissioned after November, 1962 when the country needed them after the Chinese aggression. Further, even constituting a Parliamentary Committee consisting of Members from both the Houses, just like the Committee for the Welfare of Scheduled Castes and Scheduled Tribes. This is also under consideration and I hope the Government will take a quick decision on this.

The next one is rank for rank pension and grant of increased pension to old pensioners whenever pensions are revised. The matter is *sub judice* before the Supreme Court. Here also I would like to point out that inherently, there is inequality in the entire pension Scheme. The 4th Pay Commission has also looked into it. Rank for rank pension, that is same pension for the same ranks should be given.

Lastly, inequality and regional imbalance which is very important as far as my State is concerned. In the early seventies there was a growing concern for the balanced regional development and various specific measures were taken which were of two types. One was the development of special areas programme and the other was special Central schedule for financing certain projects. For over twenty years this has been going on, or may be for 15-16 years, but this has led to more regional inequalities and imbalances than having solved anything. The modified Gadgil formula and the Gadgil formula have not been able to help the weaker States, specially Bihar, Orissa, M.P. and West Bengal. Even there is inequality in the trade. These States have a lot of mineral wealth and even the payment of mineral royalty to these States is unfavourable when compared to other goods like agricultural products and consumer goods even textiles. You may go through the pattern of financing which has been going on under the various Plans and under the

Gadgil formula. I am raising this because the mid-term appraisal of the 7th Plan will be conducted today and tomorrow. There are inequalities in the field of railways, roads, irrigation etc. In irrigation my State has only 27 per cent of assured irrigation facilities as compared to sixty per cent of the national level and my district has only 15.2 per cent whereas so much of water resources, more than seventy per cent of it flows down to the ocean and sometimes it results in floods and droughts.

Removal of regional imbalances was mentioned by the hon. President when he addressed both the Houses of Parliament. I would just like to mention that the terms of reference of the 9th Finance Commission which shall deal with this aspect of devolution of Central Government funds to State have this time been changed. It is no more a guideline given to the 9th Finance Commission, but it is a direction given to the 9th Finance Commission to look into this aspect, in which case there is a misgiving, a misapprehension that the 9th Finance Commission may not be able to justifiably look to the aspects of the poorer States and backward States in devolution of Central Government funds, and therefore, like the programmes we have for the weaker sections and scheduled castes and scheduled tribes, I would urge upon the Government to have special programmes for backward States, so that they may come up to the all-India average, if not with others.

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): Sir. Just on a point of clarification. I may assure the House that the welfare and all other benefits to our Defence forces are very much close to the heart of the Government, and I would like to allay the fears expressed by Mr. Singh Deo, that this is not a Jai Jawan Budget. We have not termed this Budget in any way, either as a Jai Jawan or a Jai Kisan Budget. But the welfare of the Defence forces and their rehabilitation after retirement, i.e. while in service and out-of-service, is very close to the heart of the Government; and,

therefore, an expression of this type is totally unfounded and misconceived.

SHRI K. P. SINGH DEO: I said it with all the emphasis at my command without any fear of contradiction, and with a full sense of responsibility.

[Translation]

SHRI KALI PRASAD PANDEY (Gopalganj): Mr. Chairman, Sir, I support this Budget. In the Budget Rs. 1295 crores has been allocated for agriculture, Rs. 2200 crores for poverty alleviation, Rs. 529 crores for Rural Employment, Rs. 430 crores for District Supply Programme, Rs. 9196 crores for energy, Rs. 5572 crores for transport, Rs. 751 crores for science and technology, Rs. 3268 crores for social services and Rs. 100 crores for housing.

More than half of the Indian population resides in villages. They are so helpless that they cannot even demand their rights, nor can plead with any leader due to shortage of funds. But the Government actually deserves congratulations for looking into the problems being faced by the farmers.

In his Budget Speech the hon. Minister of Finance has stated that India lives in its own culture and realities. Gandhiji exhorted us to work for Daridranarayan and wipe out tears from the eyes of the poor, this is the moral responsibility under the type of the socialism which we have adopted. If the Government wants to eradicate poverty and promote savings then it first of all, should exercise control over the subsidies granted by Banks. While speaking on the General Budget in this august House I have stated that it was Shrimati Indira Gandhi who had suggested that as there were big banks in urban areas, similarly a network of Rural Banks should also be laid in rural areas for the upliftment of the rural people. But their upliftment has been the least and only the Managers of Rural Banks have become rich overnight. During an investigation of a Bank in my Constituency, Gopalganj misappropriation of funds to the tune of

Rs. 68 lakh was detected in a Bank at Basnakutti and the A.D.M. and other senior officials were arrested for the same.

If the Government wants to mobilise resources and cover up losses then as stated by other hon. Members, it should associate the representatives of people and the Members of Parliament in disbursing subsidies which are given through Rural Banks. We went on asking the Government time and again about it but the Government did not pay any heed towards it with the result that the Managers of Rural Banks went on misappropriating the funds.

First of all Pandit Nehru brought the water of the Gandak river by constructing Bagaha-Chhitoni Barrage but the people of Uttar Pradesh and Bihar could not get that water. Now due to silting the depth of all the canals has receded. As a result thousands of acres of land is facing the problem of water logging due to overflowing canals. Canals are overflowing due to accumulation of sand therein. The Government is requested to take remedial measures to tackle the problem of water logging. This will help us in the task of poverty alleviation. So far as tubewells are concerned, the situation is that wherever there is electricity there are no tubewells. In the circumstances, how we will be able to uplift the farmers? If the Government think that this is a farmers' Budget then it should solve their problems also.

Similarly, the Government has also got an electrification programme but in spite of this no proper electrification work is being done in villages. It seems that the Rural Electrification Programme has got paralysed. I have just returned after visiting 2 or 3 districts of my constituency. Under this programme only two villages of my district have been electrified. Bihar is passing through a grave flood crisis. It has been stated that loans would be recovered on easy instalments from the farmers. But nothing as such is being done in my constituency. Government officials are adopting harsh measure to recover loans from the farmers. Due to this the farmers of my constituency are very much perturbed.

[Shri Kali Prasad Pandey]

Attention should be paid towards this matter.

The Government has launched the I.R.D.P. and R.L.E.G.P. programmes. Under these programmes villages are to be linked by roads. But no such thing is being done in my constituency. The Government has given full powers to the District Magistrates to implement these programmes. Whenever any Member of Parliament approaches the District Magistrate regarding implementation of any measure he simply does not listen to him. He does everything arbitrarily. Some alternative arrangements should be made for the implementation of the programmes in order to ensure upliftment of villagers.

It has been announced with gusto that after acquiring land from big landlords it will be distributed among the landless. But nothing of this sort has happened. By transferring land in the names of thier servants, the big landlords are still exercising control over it. The Government should do something whereby poor people become owners of that land.

In 1974, the late Prime Minister Shrimati Indira Gandhi laid the foundation stone of Bagaha-Chhitoni railway bridge. If the hon. Members visit that place then they will find marble stones there. In addition to this the boulders supplied for this bridge have also been used somewhere else. It should be completed expeditiously as the people have been waiting for its completion since 1974.

There is a need to extend the facility of education to all. The plight of the students of Bihar studying in the Aligarh Muslim University has further deteriorated. In case any corrupt practice is indulged into in future, the Government itself will be held responsible for that. Today what is happening in the Aligarh Muslim University? Recently on my visit to the University I saw a notice on the Vice-Chancellor's notice board stating that at the time of admission the original mark sheets of students in Bihar will be taken into account after affecting a 10 per cent reduction in their marks. The reason is that

there is mass copying in Bihar. If there is a mass copying, the government should be held responsible and not the innocent students. Now at least 3,000 students of Bihar have been affected by this decision of the University. If such practices continue in the field of education then there is a possibility of mass uprising in Bihar because this has been the history of Bihar--whether it be the Neelha movement of Gandhiji or movement of Jai Prakashji or someother movement. Now-a-days many students of Bihar frequently visit Aligarh station for securing admission in the University.

In the end I would like to state that in view of the plans taken up in the East and the allocations made, the thermal power station which was to be completed in 1986 has not so far been completed. Now in 1988, only one unit has become operational though the Central Government has been allocating large sums of money for its completion and its construction cost has been going up day by day. If the projects sanctioned by the Government are not completed in time then definitely only deficit Budgets will be presented in this august House.

In the end I would like to raise one more point. The earth work relating to the Bhatni-Banaras railway line and the construction work of the bridge have been completed after spending crores of rupees by making a budgetary provision of Rs.5 to 10 lakhs every year and Rs. 70 lakh this time but the project has not yet been completed as the track laying work is yet incomplete.

In addition to this I would like to state that as far as the question of health is concerned the Government claims that it is worried about farmers of the country but due to a large scale growth of mosquitoes, the health of farmers is being ruined. Therefore, urgent steps are required to be taken to eradicate the menace of mosquitoes.

I thank the Hon. Chairman for giving me an opportunity to speak on the Budget.

[English]

SHRI ASHOK SHANKARRAO CHAVAN (Nanded): I rise to support this Budget. It can be rightly said that this year's Budget may be called the Budget of the people, by the people and for the people.

In spite of the fact that 21 out of the 35 zones in the country have received scanty rainfall and major parts of the country are drought affected, and in spite of the fact that the payment of interest on market borrowings has to be made, and all the possible hardships the Finance Minister has been able to give a budget which will definitely give a boost and all the necessary help to our farmers.

At the same time, care has also been taken to see that the people living in the cities and the urban areas also benefit from it. The people living in the rural areas also get sufficient reliefs from this Budget.

Every person -- he may be in the rural areas or in the urban areas -- begins his day with a cup of tea and if you go to the minutest details of the budget we will see that an attempt has been made to see that this cup of tea is made cheaper to him. The exemption of excise duty on tea which is being exported, the cut in the prices of pesticides which has been included in the budget, the discount given on fertilizers, and at the same time the reduction in the duty on aluminium foil -- all these steps ultimately will be helpful to the tea industry.

Similarly, the items produced by the farmers have to reach the Cities and they should also get the proper price for it. There have been agitations in some parts of the country demanding remunerative prices for the farm produce. The Finance Minister has very rightly given some concessions for the import of machinery which are utilised in this processing industry, thereby encouraging the farmers to produce vegetables and other items and to send the same to the cities in tins and other forms.

When the Finance Minister has very

rightly introduced the National Housing Bank in this Budget, we observed that the housing problem is very acute throughout the country and the conditions especially in bigger cities like Bombay, Calcutta, Madras, where population is ever increasing, it is very difficult for the common man to get a house for himself. Therefore, the introduction of National Housing Bank this year, will be a great help to the common man to get a loan from the Bank and to have an accommodation.

The reduction in excise duty for cement will also be very helpful for the construction activity and ultimately helping the common man to get a better house, and that too, at a cheaper rate.

It has been observed, in my Constituency and also in other parts of the States, that there is a demand from every District and every Taluk for setting up some industries so that employment can be generated. The Government has given several concessions to set up some industries in the backward areas, but it has been observed that such reliefs and advantages have benefited the multi-nationals and the big companies; and the local people are not able to get benefit by these reliefs.

In this year's Budget, the exemptions from excise duty are given for footwear and knitwear items, which are being manufactured by the Registered Cooperative Societies and this will be a big boost to the rural people to help them, so that they can develop their own small scale units. In fact, this step will give a greater help to the local people to set up their own small scale units.

The plastic Industries have also been benefited by this year's Budget. The customs duty on some of the items which are being imported by these plastic industries have been lowered. Plastic is now being used as a substitute for paper and wood in the packaging industries. Therefore, the lowering of the customs duty on some of the plastic items, will be very helpful in the long run, and this will prevent cutting of our forests and protecting our environment, which our Prime Minister has rightly pointed out that

[Shri Ashok Shankarrao Chavan]

it is the need of the hour. Several debates and several seminars have been organised in this regard and priorities have been accorded for protecting the environment. This is a very right step and it will, indirectly, help to protect the environment.

All the benefits announced by the Finance Minister must reach the poor. Time and again, we have announced several concessions. But it has been seen that the implementing agencies half-heartedly implement those schemes. With the result, the rural man, the poor man is not able to get benefit from those schemes. Therefore, there should be some sort of monitoring to see that the benefits go to the man for whom they are meant.

Another thing which I would like to stress is that our resources are very scarce. For the last three years we have been experiencing drought situation in the country. In such a situation, we cannot use our resources in a manner which our country cannot afford. Our friends in the Opposition have just observed *bandh*. Our country cannot afford such types of *bandhs*. At the present moment, we need to produce more and utilise our resources for the poor. There should be cost of effectiveness. This can be achieved by introducing the concept of zero-based budgeting. This is the idea which has been given by our Prime Minister. This concept of zero-based budgeting has been introduced in the State of Maharashtra. The schemes which were continuing for several years but were not found to be useful, have been discontinued and those funds are being diverted to better performance scheme, thereby avoiding wastage of money and resources. I hope, the Central Government will also introduce the zero-based budgeting shortly.

In the Consultative Committee attached to the Ministry of Communications I requested for opening of new post offices in my constituency. But I was told that there was a ban on opening of new post offices and, therefore, new post offices cannot be opened. I would suggest a via

media. Wherever there is a surplus staff in the Posts and Telegraphs Department, that should be sent to rural areas by opening new post offices so that these area can also benefit from it and there will not be any extra expenditure involved in that.

In order to reach the benefits to the rural parts of Maharashtra it is necessary that Manmad-Aurangabad-Parbani-Parli Vajinath-Nanded metre-gauge line be converted into broad-gauge line. This demand has been pending for a long time. The Railway Minister has been kind enough to make some provision in this year's budget.

But at today's cost, this conversion will require an amount of Rs.140 crores. At the present rate of allocation it is not possible to complete the project in another 10 to 15 years. For conversion of Mankhurd-Belapur line, Maharashtra Government and the Central Government are meeting a part of the expenditure and the rest of the amount will be raised in the form of debentures. Similarly, for conversion of Manmad-Aurangabad-Parbani-Parli Vajinath-Nanded line the same formula may be applied. Such a proposal has already been sent to the Finance Ministry for its approval. If this approval is given, then this major problem will be solved. And then all the benefits which you have announced for the backward areas, will definitely reach them.

With these words, I thank you very much for giving me the opportunity to speak

[Translation]

SHRI JAI PRAKASH AGARWAL(Chandni Chowk): I want to congratulate the hon. Minister for framing a Budget which favours every section of society.

Now I would like to talk about the problems being faced by traders and the public. When the Fiscal Policy was formulated in 1985 the Government had said that frequent changes would not be made in the policy and it would be kept in force for a period of five years. The hon. Finance Minister had given this assurance in his Budget speech.

The Direct Taxes (Amendment) Act, 1987 which was passed at the end of the last Session, is incomplete. Traders had even resorted to strikes to vent their anger at this. The hon. Finance Minister may please think over this matter once again. The Government should not enforce this Act without making changes in it.

Under section 158 (A to D), if the I.T.O disallows any expenditure then that amount should not be considered as 'concealed income'. In this case the assessee should have every right to appeal.

In regard to the 'Interest to Partners' under Section 40(b) iv, interest on a partner's capital would be 10% whereas interest to creditors is given at the rate of 12% to 24% and the income-tax authorities are charging at the rate of 21%.

In regard to the 'Remuneration to Partners' under Section 40(b) v, Directors of Companies can draw salaries and perks from more than one company. Why there is a restriction on partners to draw salary from only one firm. The standard deduction applicable to Company Directors and the salaried class should be made applicable to partners too.

In regard to the 'Clubbing of Incomes' under Section 54 (a) etc, partnership firms should also be given the benefit of exemption as given to professional firms. This will also enable women to take full share in the business.

In regard to the 'Rate of Tax of Firm' under Section 167 (a) amounts upto Rs. 10,000 used to be exempted. Anything over it used to be taxed on a slab system. Now 50% of the income would be taxed without giving any exemption. Previously on an income of Rs. 50,000 the tax was Rs. 2,500. Now the 50% rate would increase this figure ten-fold to Rs. 25,000.

In regard to the 'Filing of Returns' under Section 184 (3), the exemption previously in force should remain so that any one partner may sign while filing returns.

In regard to the 'TDS' under Section 194 (e), in case of those partners who have G.I.R.P.A. No., T.D.S. should not be deducted.

Under Section 143 (3) 147, 148, I.T.O.s should not be given wide powers to re-open old cases because they are likely to misuse these powers according to their whims. So the old Sections as such should continue.

Under Section 234 A, B, C, if a tax-payer is unable to pay taxes due to riots, floods or strikes and demands an exemption from payment of interest, he should be given this exemption.

Under Section 167 (8), the exemption in payment of tax to trade, social and sports associations as well as cultural, religious, educational and welfare organisations should be restored.

Under Sections 207, 208, 210(1), 243(b) 'Capital gains' should be kept outside the purview of Advance Tax as it was done previously.

The 75% exemption under Section 234(b) should be kept as it is and not increased to 90%.

Besides in the L.D.P.E. fabric 75% of cloth along with polythene is used. Duty is already levied on polythene. I request the hon. Finance Minister to consider giving an excise duty exemption under Tariff Item 5903. This fabric is used in the manufacture of school bags and tarpaulins, etc. which are used by poor people.

There was never a duty on Brass Wire Rod but now a 15% duty has been imposed on it. The heading for this item is 7403 of C.E.T. Duty is paid while purchasing or importing the raw material which is used in its manufacture. In the definition Brass Wire rod, Wrought Bars and Rods (including Wire Rods) were included. Now these have been re-named as Brass Bars Rods. The words 'including Wire Rod' have been removed which makes it eligible for the levy of 15% duty. I hope this item too will be exempted from 15% duty. As the net

[Shri Jai Prakash Agarwal]

revenue has been shown as nil I demand that it be exempted from excise duty.

14.00 hrs.

No excise duty should be Levied on Life-saving drugs. The raw material for life-saving drugs like tetracycline, HCL, Vitamin B-1, Vitamin B-2 and Oxy-tetracycline should be brought under Open General Licence. This way there will not be a scarcity of these drugs.

Those people who run 100% export-oriented units are given certain exemptions in the income-tax. The people who actually produce the goods for export such as fabricators and small contractors should also be given income-tax exemptions. Exporters find it cumbersome and time-consuming to get drawback from the Government. A way should be found for the exporters to get their money quickly through the Shipping Bill.

In regard to the letters of Credit, exporters also feel harassed when they do not get money from banks, against them. I hope it will be made easier for exporters to take money against their Letters of credit. Some provision should be made to lower the rate of interest on loans which may be sought by exporters from banks.

Similarly on a 25 gms packet of tea leaves, excise duty is levied at a rate of Rs. 2.50 per kilogram. For small packets excise duty is levied at Rs. 3.25 per kilogram of tea leaves even when the ordinary person uses more of smaller packets. I request a reduction in this rate also.

[English]

SHRI AJAY MUSHRAN (Jabalpur): Mr. Chairman, Sir, I am grateful to you for giving me an opportunity to speak on the Budget of 1988-89. I wish to congratulate the hon. Finance Minister for bringing a very historic budget, historic in the sense that this is the first time the predominance is given so far as the finances of the country are concerned, to the farmers. Otherwise, it was a fashion, whether it was a symposium or a seminar or a speech or an article

or anything or that sort, particularly, for the economists always to say that India is an agriculturist country and that the backbone of the Indian economy is a farmer. But somehow the farmer only got lost in the preambles. This is the first time that he has been able to enter the main pages of the Budget.

Now, I will not touch upon these points which have already been covered by several Hon. Members who have spoken before me. But I want to go on record to say that the vehement speech of the hon. Opposition Member who spoke yesterday pointed out that all the expenditure the Government of India is incurring so far as Sri Lanka and its IPKF are concerned, is a waste. I personally feel that nothing can be short of short-sightedness so far as the national interests are concerned. I personally feel that the steps taken by the Government for having made the accord with the Sri Lankan Government and consequently to have inducted the Indian peace keeping forces as a peace keeping mission in Sri Lanka are the wisest steps, whether strategically speaking or speaking from the national interest point of view because at that moment of time, if we would not have taken the steps which we have taken now, instead of spending about Rs. 3 crores a day, we would have been spending at least Rs. 13,000 crores more for equipping ourselves to face the consequences which would have emerged out of the other forces of world power level coming into Sri Lanka scene.

Sir, so far as this budget is concerned there are various schemes which have been brought to focus. But I fear that in spite of all the noble intentions of the Government and the hon. Finance Minister, our past experience shows that always in the matter of the implementation and the monitoring, we have always found that whenever the effective monitoring is done the implementation has been tardy. We must take those schemes on hand for which we have the capacity and capability to implement and monitor. To think good is the easier job of an economist, but to implement the economist's dreams you need a very tough administrator and you

need a very dedicated chain of command or a chain of monitors also, whether it is political level or administrative level or executive level. I am sure that only those schemes will be taken and the schemes will be so implemented that they bring more relief to the farmer and less headache to him. For example, you have got the Jaldhara scheme. Under Jaldhara scheme you are going to give him a pump. Now, the pump is going to cost Rs. 6000 to Rs. 8000 through the cooperative. He can buy a pump for Rs. 4000 in the market. Now it is for the implementor and the monitor to ensure as to why a pump costs Rs. 4000 in the market and why we are not able to give to the farmer at Rs. 4000 and what are the steps through which we claim that we have to give at least 1000 or 8000. I have just given an example, Mr. Chairman, and these are my fears as a kisan. I have no doubt that we can think of even better schemes and more schemes, but our implementation should be purely to the benefit of the farmer

In a very short time now, Sir, I only wish to highlight a couple of points of those Ministries which are not going to come for the debate when we take the Demands of the Ministries separately. One is about drug deaddiction activity. In 1985 it was asked from the floor of this House by me that a composite law should be made in which the Ministry of Health, the Ministry of Foreign Affairs, the Ministry of Home and the Ministry of Welfare are involved because trafficking of drugs, deaddiction of the patients from the health point of view and creating a social environment where people are fully familiar with the dangers and destruction of addiction and these type of people who are doing this trafficking should be done. I am sorry to say that a beginning was made and a Bill was enacted, but through that Bill there was a clause that the Health Ministry will have deaddiction centres, but not a single deaddiction centre has been constituted by the Health Ministry so far. This must be taken up because this is nearly destroying one-third of our future generation. In the same way about the family planning programme.

We are so worried about *garibi hatao*, but we are not worried about *garibi ghatao*. It has been seen by the demographers that people in low pay group, people in rural areas whatever may be the reasons, produce more children than you can feed. They are producing more poor mouths than the middle-class, upper middle class and rich class. All the people sitting here who pay income tax and who are in the pay of Rs. 5000 to Rs. 6000 and above per month not a single person has more than two children and a person who is an economic liability of the country, an economic liability of the Government which is bound to eradicate poverty, has not been able to stop increase of mouths which are poor. We are adding virtually one Australia every year to the country. This must be given more predominance. I am sure the Finance Minister will like to review the funds which are given for family planning because health and family welfare are associated. Now it becomes a problem of health and other diseases and it becomes a welfare, and family planning takes a back seat. I would urge upon the hon. Health Minister to coordinate flow of funds in a manner that family planning is given as much importance as IRDP or NREP.

Sir, so far as Ex-Servicemen are concerned, the hon. Minister was here and he was reacting to Mr. K.P. Singh Deo's speech. The Minister said.....

MR. CHAIRMAN: Please conclude.

SHRI AJAY MUSHRAN: Sir, I will take exactly five minutes.

MR. CHAIRMAN: No, no.

SHRI AJAY MUSHRAN: Some people have spoken for one hour. You are not allowing me to speak even ten minutes.

MR. CHAIRMAN: I will give one minutes.

(Interruptions)

SHRI AJAY MUSHRAN: I will take two minutes. He said, the ex-servicemen's interests are at his heart. I am not worried about, at his heart. I want the interests of the ex-servicemen to percolate in the purse

[Shri Ajay Mushran]

of the Finance Minister and not to remain at the heart. Today whatever recommendations of the Ex-servicemen High Power Committee are there, they have not been implemented. Leave aside financial aspects, even a small recommendation like constituting a parliamentary committee where Members of Parliament to go into details and monitor what progress has been made about the implementation, that has not been done.

I suggest that the Finance Minister may consider creating an Ex-servicemen Financial Corporation like the one existing in Himachal Pradesh. At least through the financial corporation, self-employment by the ex-servicemen may be created and if you really have the welfare of ex-servicemen at your heart, kindly let your feeling percolate down to your purse.

[Translation]

SHRI C. JANGA REDDY (Hanamkonda): Mr. Chairman, Sir, just now some hon. Members of the Congress (I) spoke on the Budget and on rural development. I also have something to say. I can say that the welfare of farmers has been kept in mind while framing this Budget. A farmers' movement is sweeping across the States of Maharashtra, Andhra Pradesh and Uttar Pradesh. They have raised their voice to get remunerative prices from the Government. I congratulate the Government for effecting a reduction in certain taxes. But these cuts are much less than those in the Budget presented during the Late Shri Charan Singh's time. The cost of 50 kg. of Urea now, with the Congress (I) Government in power, stands at Rs. 140. The same amount of Urea during the late Shri Charan Singh's reign costed Rs. 60. The Late Shrimati Indira Gandhi's return to power saw the price jumping upto Rs. 120. It rose further to Rs. 140 and now the present Government has reduced it by Rs. 20. It is hardly in the interest of farmers to first increase the price by Rs. 40 and then reduce it by Rs. 20. I want a cut in the prices of inputs. Farmers are demanding remunerative prices and the Government responds by

giving them the support prices. Who wants the support price instead of the remunerative price? Let us take a look at cereals or oil. 'Moong' is sold at Rs. 600 per quintal and its 'Dal' can be had for Rs. 700 per quintal. In the local markets this *dal* is sold at Rs. 10 per kilogramme. Why this difference? This difference must be reduced. More facilities should be made available to those farmers who produce pulses. It was hoped that the cotton crop being good this year, farmers would be able to wipe-off their pending debts. But the Government, by levying taxes, and mill-owners, by importing cotton from abroad, are trying to push down the market price of the farmers' produce.

The Indian farmer feels distraught in this situation. The price of cotton which at one time shot up to Rs. 1100-1200 per quintal is now Rs. 800 per quintal. So much of a decrease in just one month! This has brought in restlessness and dejection in the farming community. They fear that the Government is importing cotton from Pakistan or is about to do so. It is for the hon. Minister to clear all such doubts by explaining the Government's Textile Policy and how it is to be implemented. But I certainly want cotton prices to be stabilised. Why must the Government import cotton from abroad and pull away the carpet of sustenance on which the Indian farmer stands?

Yesterday I received a letter which says that the non-recurring expenditure of the Central Government has risen from 58% to 62%. I would like this to be brought down. Even subsidies have increased from 8.5% to 8.9%. All details are given in the letter. Let us take my state as an example, where Rs. 1000 crores have been given as a subsidy on rice. If this amount is spent on setting up a project, a lot of people will be benefited and so much of development can take place. Yet the Government prefers to give this amount of Rs. 1000 crores as a rice subsidy. Solely because the Government wants to remain in the good books of the voters. I request the Government to make an amendment in the Constitution and provide for a fixed ceiling on the amount of subsidy to be given. Perhaps this is the rea-

son how this Government returns to power every time.

What is the reason behind increasing the grant of the F.C.I. from 12 billion to 22 billion. Our nation cannot afford to distribute royalty in this manner. We do want that budgetary provisions for the social welfare and for the development of *harijans* and *girijans* must be made but you must abandon the policy of propitiating the voters. This will sometime lead us to a situation in which if any state Government gives a subsidy of Rs. 1/- on rice Shri Rajiv Gandhi would announce a subsidy of Rs. two for the same. This would ensure more votes for him. Therefore, I want that such schemes should be abandoned at once and the Constitution should be amended to fix the ceiling of the subsidy.

I always talk about the Telangana region and have also written a letter about it but it seems that neither the State Government nor the Central Government has time to think about it. The Pochampar project is one of the three important projects of Andhra Pradesh. I have not only written a letter but also raised this matter under rule 377 in the House. This project was started 30 years ago but so far 50% irrigation potential has not been achieved. Out of the estimated cost of Rs. 870 crores, Rs. 507 crores have already been spent till now. An amount of Rs. 7 crores is going to be spent next year. Nobody can say as to when it will be completed with this speed. I think that due to silting during the next five years, no depth would be left for water which will overflow and wash away the fertile black soil. I demand that necessary provisions should be made in the budget for the quick completion of the project. Not only this but all the central projects should be given clearance immediately. I came here in the morning with regard to the clearance. I don't know why projects are not given clearance even after all the formalities have been completed. I don't understand the reasons behind this hesitation. On the other hand projects are being constructed, without seeking clearance, in the States like Andhra, Karnataka or Maha-

rashtra even when water is not available there. We should exercise some control over it. This Telugu Ganga project is there to bring water from the Krishna river. What will happen if the Karnataka Government constructs a reservoir upstream on the river Krishna. Therefore, any project undertaken without clearance is sheer national waste and the nation has to suffer a loss as a result thereof. Therefore, we should formulate a policy to check such a wasteful expenditure. Although water is there in the Godavari but funds are not being made available for that. It is also true of the question of Telangana. There should be a separate budget for the Telugu Ganga project as well as for Public Commissions. For this purpose, necessary amendments should be made in the Constitution.

[English]

THE MINISTER OF FINANCE AND MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI): Sir, first of all I would like to convey my heart-felt greetings to you and through you to the House and each and every hon. Member on the Samvatsara day....(Interruptions) Today, we start, of course not through the Gregorian Calendar but through our Indian Calendar. We have a new Samvatsara day. I thought that first of all I should congratulate...

[Translation]

SHRI C. JANGA REDDY: Today is the Samvatsara day according to the Telugu Calendar, so congratulate Telugu Desam; congratulate us.

[English]

SHRI NARAYAN DATT TIWARI: Yes. I am conveying to you my hearty greetings on the Samvatsara day. I also do my duty at the very beginning by thanking all the hon. Members, I think, about 70 and more, who have contributed to the debate, for their highly penetrating and helpful comments on the general Budget. Many of the speeches were incisive, analytical and I think that most of the Members have responded to my appeal made in the Budget Speech that this year's debate on the bud-

[Shri Narayan Datt Tiwari]

get should be a participatory and constructive endeavour to evolve a nationally accepted strategy to achieve our goal.

I am very thankful to the hon. Member's that there was very little acrimony and by and large there was a general agreement on the basic objectives that have been reflected in the budget. I am very thankful to our esteemed veteran and senior leader Professor Ranga, Shri Madhav Reddi, Shri Somnath Chatterjee, Shri T. Basheer, Shri Kamla Prasad Singh, Shri Parashar, Shri Madan Pandey, Shri Purohit, Shri Ghorpade, Shri Yadav, Shri Satyendra Babu, Shri Tarun Kanti Ghosh and to our other Members who have very eloquently reiterated our faith in the objectives that are reflected in the Budget. Some Member were good enough to say that the Budget was directionless... (Interruptions).

[Translation]

SHRI AJAY MUSHRAN: It is their habit, do not bother about them.

[English]

SHRI NARAYAN DATT TIWARI: I do not know what direction they were referring to because I thought that while in their heart they agree with the objectives of the Budget, it was politics that they could not agree with the objectives of the Budget and that they could not mention it. There was some advice to me that it is a political budget and not an economist's budget. I am very happy to say that many of those friends of mine, who tried to inject more politics than economics in the budget are now trying to see more economics in the Budget and not politics....(Interruptions). I do not know what sort of economics is there in the Bharat Bandh, and that too for three days throughout the country (Interruptions). It is all politics, not economics. Therefore, I am not criticising that way. I am saying in a general sense...(Interruptions)

SHRI SAIFUDDIN CHOWDHARY (Katwa): Ten crores of people are unemployed. Do not pay lip service ...

** Not recorded.

(Interruptions). There will be many more Bundhs... (Interruptions)

MR. CHAIRMAN: Please order... (Interruptions)

MR. CHAIRMAN: Except the Hon. Minister, what others say will not go on record..(Interruptions) you cannot question the Chair.

(Interruptions)**

SHRI NARAYAN DATT TIWARI: I am not trying to offend the feelings of Hon. Member. I have a great respect for him personally. What I am saying is that when we talk of economics, when we talk of economic stability, when we talk of inflation, when we talk of higher productivity, when we talk of higher production and when we are discussing a Budget, then we have to see that such stoppages of productive work, productivity anywhere, is not an economic effort. It is not economic. It could be justified politically. It cannot be justified from the economic point of view. Therefore, I would say, in all humility, that while we are saying that this is a political Budget or an election oriented Budget, I may say, that the objective of the Budget reflects the consensus of this House. It is a one year Budget but it reflects the objective of the Seventh Five Year Plan. It is a Budget for the fourth year of the Seventh Five Year Plan. And, therefore, this Budget reflects the basic objectives of the Seventh Five Year Plan. It also tries, in whatever modest way, to show a direction towards what type of socialist programmes we should have in India—a small effort in that direction. We cannot call it a populist Budget because the word 'populist' has a different trajectory. It ventures, it seeks to be called a 'peoples Budget' because it is Roti, Kapra, Makan, Rozgar, Swasth Budget... (Interruptions)

14.27 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

SHRI NARAYAN DATT TIWARI: Some of my friends have said(Interruptions)

SHRI SAIFUDDIN CHOWDHARY: What is the Budget?

SHRI NARAYAN DATT TIWARI: I have listened to my friends with great patience. I think, I have never disturbed them. Therefore, what I would say is about what is inflationary in this Budget. Let us take our programmes of agriculture. Are these inflationary? Are these programmes that we have proposed inflationary? If we are reducing this credit interest rate, the cost of agricultural investment for the farmers, specially for the short-term loans what they call a 'Fasal Rin' the short-term crop loan, if we are reducing interest from two and a half per cent to one per cent upto Rs. 15,000, is it not for augmenting productivity or making available to the farmers agricultural loans at a cheaper interest rate? Then we have made Rs. 3,000 crores more available for the farmers in a drought year so that we can invest more in agriculture at a cheaper interest rate; and therefore it is to augment productivity in agriculture.

What is the consumption rate of fertilizer in the world? In our country how much fertilizer per hectare is consumed in Punjab or in West UP and Haryana? If we can augment fertilizer production, if we can increase the rate of fertilizer input per hectare throughout the country, we can become one of the strongest agricultural countries in the world.

Therefore, as mentioned in this House we have tried in this Budget to reduce the cost of fertilizer by 7½% as a discount. We are going to review fertilizer subsidies as to how this discount can be absorbed by the existing subsidies. Rs. 3000 crores have been provided for fertilizer subsidies in the Budget. It is a quantum jump compared to earlier years. Our effort will be that within the existing subsidy structure, by a marginal variation here and there in the cost of inputs, we should be able to cut down the cost of fertilizer. And then we have cut down the cost of insecticides, pesticides, etc. It is all productivity oriented, anti inflationary, to fight the consequences of drought and to give more help to the marginal and small farmer who really needs help for inputs. Therefore, with all humility

I would say that whatever we have tried to do in agriculture is productivity oriented, production oriented and anti inflationary.

Then you take the whole range of measures that we have taken. Take Jal Dhara. It is productivity oriented and production oriented. It is just not only the relief programme that we give employment on daily wage, we create assets by this Jal Dhara programme. It is not an inflationary programme. It gives tools of production, increasing production of the marginal and small farmer.

Similarly we have given, by a little appropriation of funds, for the IRDP, NREP and RLEGP one mill on wells for the Harijans and Scheduled Tribes. This is also productivity oriented. Instead of just giving subsidies, we are giving them assets, creating wells. Therefore, it is from a subsidy oriented expenditure to a production oriented expenditure. That is also anti inflationary and production oriented.

Then you come to the small industries development bank. I was surprised to find my esteemed friend, the veteran leader Mr. Indrajit Gupta, opposing the small industries development bank. There are now 1.3 million small sectors in the country. The number is increasing...(Interruptions).. Only six years back the number was only half a million. Six hundred thousand or seven hundred thousand new industries have come up and they are coming up everyday in all parts of the country. Now they require working capital and they require term loans and if we have to create more employment, it can only be done by village industries, by small industries and by medium scale industries.

IDBI of course have done a very good job: but because of the volume of work, because of the thousands of units with whom they have to deal with and with so many financial corporations — because in the States we have State Financial Corporations, the small industries development corporation and they have to deal with one IDBI. So many financial institutions from small industries, tiny industries to the heavy industries have all turned to IDBI, IFCI and ICICI. Therefore, the small indus-

[Shri Narayan Datt Tiwari]

tries movement throughout the country was demanding a separate window for them. So, it is going to be a subsidiary of the IDBI. It is not the creation of a new hierarchy. The IDBI will have the subsidiary and they will utilise the infrastructure of the IDBI. They will have a subsidiary of the IDBI. The linkage will be there which has been suggested.

SHRI SOMNATH CHATTERJEE (Bolpur): I will welcome that. I only said these things should really be implemented properly because like the fate of many other schemes, unless they are implemented properly, they won't reach the persons for whom they are meant.

SHRI NARAYAN DATT TIWARI: I am very thankful to Somnathji for this support. But I am referring to what Shri Indrajitji said. He said that why there be a separate bank. (Interruptions) I thank you very much. I am sorry. I hope that Shri Indrajit Gupta would also revise his views, revise his opinion. (Interruptions) I understand. I am coming to implementation.

My point is that why small industries are becoming sick today. One of the basic reasons that they are sick is that they do not get term loans, project loans, in time. That they get project loans smoothly and working capital smoothly, that's why the small industries development bank comes in. The term loans take time through the State Level Corporations for refinance. Now they shall have their own bank to finance term loans in time.

Then, the second very important measure, which I have proposed in this budget, is that up to Rs. 5 lakhs term loans, Rs. 2½ lakhs working capital will be given simultaneously from the same window. The project is ready, the factory is ready, the small unit is ready, but no working capital. Then they have only the reappraisal rule. Appraisal, reappraisal is there — once again from the grassroot bank branch.

SHRI SOMNATH CHATTERJEE: Sixty-five schemes from my constituency have been sent to the State Bank. For two years, they are lying undisposed.

SHRI NARAYAN DATT TIWARI: I agree with you.

SHRI SOMNATH CHATTERJEE: That is the apprehension that we have.

SHRI NARAYAN DATT TIWARI: Yes, now I hope that within this year, they will get the working capital.

SHRI SOMNATH CHATTERJEE: I shall come and thank you.

SHRI NARAYAN DATT TIWARI: Therefore, this is non-inflationary. This is not a plethora of programmes where money is being wasted.

[Translation]

SHRI SOMNATH CHATTERJEE: This work will have to be done.

SHRI NARAYAN DATT TIWARI: Work is being done. This is the work we have. (Interruptions)

[English]

Therefore, we have a separate small industries development bank. I may tell the hon. Member and other hon. Members of this House that my effort will be to increase this working capital. Let us begin with this. If you are able to do this effectively, I will request the financial institutions to consider raising this limit of working capital. So, first this beginning that from a single window, the term loan, the project loan and the working capital loan can be given together. That is one of the most important basic reasons that the small industries become sick at an incipient stage. (Interruptions) My hon. friend will agree that this is non-inflationary. It is non-escapist. It is trying to pull the bull by the horn.

[Translation]

SHRI SOMNATH CHATTERJEE: This is very small.....(Interruptions)

[English]

SHRI NARAYAN DATT TIWARI: The hon. Member has said that in your own constituency, 65 small industries are sick because of this reason. It is not 'chhota'. (Interruptions)

Then, I have proposed a series of reductions in indirect taxes, in excise duties. In so many sectors, it is to increase the production in these commodities, in these goods, in these items. Take village industries. We have provided for reduction of excise duty to enable more cold-storages to be set up in the villages.

More food processing units of all types, be it village industry, village co-operatives wherein all sorts of things like radio, cassette players, footwear, if manufactured in the rural areas will be completely exempted. In this House there has been considerable worry and anxiety about large movement of population from the rural areas to the urban areas. This is one of the basic difficulties in our structure that more and more people are moving towards the cosmopolitan, to these metropolitan agglomerations. For example, take Delhi, Madras and Bombay, everywhere and throughout the city, you have this problem. Thus problems come up. The pressure is on the infrastructure that is existing in the city. How do we stop people from moving from the village areas to urban areas, unless we change the quality of village life, unless we devote our attention more towards the villages, towards the quality of village life, towards the housing in villages, sanitation in villages, to give the farmer the know-how by which he can himself raise the quality of village life? Then only, this problem of village life and its quality will improve. This will not be done in the framework of one budget. It is the Seventh Five Year Plan objective. It is going to be every Plan's objective and therefore, it is a step forward, I hope, in the right direction.

Therefore, we accept that we will give Rs. 100 crores more to the National Housing Bank for creating new institutions for rural housing. We have said that we will give long term loans at lesser rate of interest for village housing.

SHRI BASUDEB ACHARIA (Bankura): Unless, the infrastructure is developed in the rural areas, how can we accept all these things?

SHRI NARAYAN DATT TIWARI: I would like my friend, the leader, and I will show paragraphs where I have referred to what you are saying. I can just pass a copy of the Budget to you. Everything is given there. Therefore, we are providing - let me make one thing clear. This Rs. 100 crores is being provided by the Reserve Bank of India. It is not a burden on the Government resources or resources of the consolidated funds. All this money is coming from the banking system and the bank deposits are growing. I would like you to see the Economic Survey Report and the Currency and Financing Report and our bank deposits are growing. We are within the limits of bank regulations and without disturbing the basic strength of the banking system, we want to give them an orientation, a little shift towards the agricultural rural housing towards the poor. It is not a burden on the Budget. (Interruptions)

One of my friends welcomed the 'Kutir Jyoti' programme. The hon. ex-Finance Minister, Shri H.M. Patel mentioned about the 'Kutir Jyoti' that how it is going to be launched and it is not clear. I have mentioned and I cannot announce the details of every programme in the Budget. I can only mention the broad features. I mentioned in my speech that the details will be announced by the Rural Electrification Corporation of India. It is very clear that in all the villages, we will try the State-wise implementation. My friend, Shri Somnath Chatterjee was mentioning that 'how about implementation?'

It is regarding this implementation that we seek the cooperation of the State Governments.

SHRI SOMNATH CHATTERJEE: Do not abuse them only.

SHRI NARAYAN DATT TIWARI: I am not abusing anybody.

SHRI SOMNATH CHATTERJEE: But your colleagues do. Shri Buta Singh did it today.

SHRI NARAYAN DATT TIWARI: All the programmes require the help of all the State Governments. Now, in respect of the Kutir Jyoti programme, the Rural Electrification Corporation will approach the State Electricity Boards and they will have programmes for every district, every area and every village. Whatever programmes I have announced or are already there like the Indira Vikas Patra, the States and the Centre have to function together. Even today the Prime Minister is there with the Chief Ministers discussing agricultural programmes which were mentioned in the Budget. The Chief Ministers' Conference is going on to discuss programmes pertaining to agriculture. This is for implementation. Of course, not all programmes are going to be discussed in one day, but the basic things are being discussed for implementation of the Plan and this Budget is a part of the Plan.

As far as implementation goes, the Reserve Bank announced reduced rate of interest the very day I delivered my Budget speech. Fertilizer rates have been reduced by most of the factories and we are monitoring that.

Notifications regarding reduction of customs duty and excise duty have been issued and hon. Members must have received a big volume of notifications. The Finance Bill is there; notifications are there.

Regarding the social security programme, the Rural Electrification Corporation is announcing their programmes; they are going to invite the Chairman of all the Electricity Boards. The General Insurance Corporation will be taking steps through its four Insurance Corporations—they have lakhs of agents—for the fire insurance scheme against fire of village huts. There is a massive fire insurance programme for the village level huts and that will be done by

the General Insurance Corporation. They are announcing the way they will do it.

I fail to understand why I should not have the blessings of all the Members of this House for a social security scheme, the life insurance scheme for the poorest among the poor. We have only said that Rs.100 crore fund will be created wherein every year Rs.100 crores will be funded. We have given a part of income tax back to LIC for that fund. LIC will make a contribution and we will make contribution out of our income tax and this fund will be for the help of the people. There will be Rs.15 insurance premium. We have calculated; about five million poor people, daily wage earners, rickshaw drivers, casual labourers, thelawalas and others can get insured. Half of that premium will be paid by that fund and half will be collected by the agents. I have asked LIC that they have 250 thousand agents in India and in a year every agent should enrol at least five such poor people. ✓

In other countries they have a massive social security programme. Even if we want to do that, we cannot afford to have such a massive programme as is done by some other countries, but we have made a beginning. In many of the State it is being done. If we do it at the national level, we are not creating a new hierarchy. LIC are there, there officers and their agents are there. We are utilizing this hierarchy for a noble cause.

[Translation]

SHRI SOMNATH CHATTERJEE: Very Little has been done.

[English]

SHRI NARAYAN DATT TIWARI: Whatever it may be, why do you bring inflation here? Why do you bring deficit financing here? It is not a question of deficit financing here. How does the deficit financing come here? Why should we use it? I thought that I will at least have the support of my distinguished Leftists friends for it because we have tried to give a leftist orientation and a socialist orientation to everything.

[Translation]

SHRI SOMNATH CHATTERJEE: We say that good work has been done.

[English]

SHRI NARAYAN DATT TIWARI: Very good Dada, please go on encouraging us. So, then again, one of my friends said that the Budget is an escapist Budget. I do not know what do we want to escape from. If we want to fight poverty, it is not escapism. If we want to eliminate poverty, it is not escapism. If we want to move towards the socialist society in the long term, it is not escapism. Therefore, I would say that there is no question to think that we are escapists.

A lot was said regarding the deficit & financing, inflation...

SHRI SOMNATH CHATTERJEE: It is a very basic problem.

SHRI NARAYAN DATT TIWARI: Yes, it is a basic problem, but not a problem only for this year. I recall what my distinguished friend, who was himself a Finance Minister and who so ably presented two Budgets in this House, said. He is not here unfortunately. I recollect what he said as a Finance Minister while replying to the debate on the Budget for the year 1978-79. He said:

"I am not a miracle man who will ensure that every desirable thing will happen. So far as the development is concerned and at the same time conjure up resources without casting a burden on anybody in the society it is not developmental planning but wishful thinking and I am surprised to find a former Planning Minister indulging in it."

SHRI SOMNATH CHATTERJEE: Who was the Planning Minister?

SHRI NARAYAN DATT TIWARI: I do not know who was the Planning Minister at that point of time but I certainly can say that he has been the former Finance Minis-

ter at some point of time. Now, I substitute the word 'Finance Minister' to the 'Planning Minister.'

SHRI THAMPAN THOMAS (Mavelikara): So you want to substitute that.

SHRI NARAYAN DATT TIWARI: Yes, because I am only saying what he said, i.e. the Finance Minister is not a miracle man. I am a humble man, a grass-root worker. I do not claim to be an economist. I am a grass-root worker economist, just as we all are and I am one amongst you. I claim nothing more. Please give me the same benefit as you will give to yourselves. All of us know the common sense economics, grass-root political worker's economics. So, I am aware of only that general knowledge, nothing more and nothing less. Of course, I am a student of Economics. I have read some books, as all of us must have read. Prof. Indrajit Gupta said that it is not an Economist Budget, it is a politician Budget. I do not claim to be an economist. I must admit that. Later on what did he say about the deficits. The deficit in the Budget for the year 1977-78, as proposed in the beginning in the Budget proposals, was Rs. 80 crores. Later on that Budget mounted upto Rs. 975 crores. 12 times larger deficit. From Rs. 80 crores to Rs. 975 crores.

SHRI THAMPAN THOMAS: This time it is from Rs. 9,000 crores Rs. 30,000 crores.

SHRI NARAYAN DATT TIWARI: I would come to that. It is not ten times what the Prime Minister has said. I thought that my dear friend will compliment...

SHRI SOMNATH CHATTERJEE: Now you are echoing Mr. Patel.

SHRI NARAYAN DATT TIWARI: I am just saying what he said. Let me quote what the hon. Finance Minister of 1978-79 had said, defending the deficit:

"Since hon. Members also criticised our economic performance saying that savings exceed investments, they will realise that such a Budget deficit will have no inflationary impact. All that will happen in

[Shri Narayan Datt Tiwari]

this excess saving will be converted into investments. The deficit is merely an instrument to acquire control over the resources and to divert them into productive channels."

Then he says:

"I may point out that even the deficit of the order of Rs. 975 crores, this year, we have been able to maintain relative price stability because of special management and credit management. There is no reason why we should not display the same skill in the coming year also and continue to hold the price line."

May I repeat this sentence?

SHRI THAMPAN THOMAS: It was true also.

SHRI NARAYAN DATT TIWARI: So I also say this. There is no reason why we should not display the same skill in the coming year also and continue to hold the price line.

I will at least get that. Of course, most of the Members did mention this fact, that thanks to the determination shown by the Prime Minister that the deficit level was contained around Rs. 5700 crores. It is now around Rs. 6080 crores.

SHRI AJOY BISWAS: During the Seventh Plan, your target of deficit was Rs. 10,000 crores. Now it has crossed Rs. 20,000 crores. What was the reason?

SHRI NARAYAN DATT TIWARI: I am coming to that. Therefore, in the last year's deficit, there was a widespread anxiety. We have seen in the national Press also. It is rightly so. There was an anxiety that perhaps this deficit may burgeon to Rs. 9,000 crores or Rs. 10,000 crores. But because of the determination in cutting expenditure, this has been shown. This deficit has been contained to Rs. 6080 crores, for the last year.

SHRI BASUDEB ACHARIA: You add Rs. 300 crores the increase in administered price - with that.

SHRI NARAYAN DATT TIWARI: My hon. Friend Mr. Acharia has referred to certain statistics (*Interruptions*)

There is no exact co-relation between the deficit and prices or inflation from year to year. Take for example 1979-80 when there was a - 4.7 per cent growth rate. But the rate of Budget deficit was only 2.2 per cent.

SHRI BASUDEB ACHARIA: That was your Government.

SHRI NARAYAN DATT TIWARI: No. That was not our Government. It was in 1979-80.

SHRI BASUDEB ACHARIA: You supported that Government.

SHRI NARAYAN DATT TIWARI: For the whole 1979-80, it was not of Mr. Charan Singh's Government. For Half of the time, there was a government which was supported by you.

SHRI SOMNATH CHATTERJEE: Half of the time, it was Mr. H. M. Patel, whom you have quoted and the rest was of Mr. Charan Singh's.

SHRI NARAYAN DATT TIWARI: Half of the time, it was Mr. H. M. Patel. But was all the time in West Bengal. What I am mentioning is that while the GNP growth was - 4.7 per cent, the Budget deficit was only 2.2 per cent.

15.00 hrs.

It is Rs. 2427 crores, but the inflation rate was 21%. Then again in 1983-84, the GNP growth rate was 7.7%, and the Budget deficit was Rs. 1417 crores. The inflation rate was 8.2%, and the Budget deficit was 0.7%.

In the year 1986-87, we had a deficit of Rs. 8261 crores, the largest deficit so far. The GNP growth rate was 4.1% and the Budget deficit was 2.8% of Gross Domestic Product, GDC, and the inflation rate was only 5.3%. (*Interruptions*)

So, there is no in-built correlation between inflation, price rise or the deficit. Our statistics through the years show this. (*Interruptions*)

Now about this year's Budget deficit. I may, in all humility, mention that I met many distinguished economists; I consulted them, I got their advice--it is recorded there--that there was no harm done to the economy if the deficit is around Rs. 7,000 crores. Many economists, many economic journals said that our economy can absorb, in a normal year, this much. Keeping in view the productive purpose and the supply management that we have, the food stocks that we have, the public distribution system that we have, the demand and supply management pattern that we have, they said that our economy could absorb a deficit of around Rs. 7,000 crores. And I have ventured to put the deficit around Rs. 7,000 crores. (*Interruptions*) This is always compares as a percentage of the Gross Domestic Product. The Gross Domestic Product that is estimated for the next financial year is Rs. 368,500 crores. It is the gross domestic product, and the deficit is only 2% of this gross domestic product. It was 1.9% last year; 2.86% in 1986-87; 1.9% in 1985-86, and 2.2% in 1979-80, i.e. of GDP. So, in all humility, I may say that I have tried to keep to the economic definition of what deficit can be absorbed by the economy and, therefore, I may say that I myself am concerned with the rising cost of deficit. I know what it means, but I have put it in manageable limits. I have gone through books after books. Of course, as a student of economics I have been reading such books, but during these four months also, I have gone through so many reports.

Except in Socialist countries which have a different type of budgeting, deficits of this type are a common pattern of budgeting in most of the developed or developing countries of the world. I do not mention USA. But ever since Keynes, the world-famous economist evolved the theory of traditional budgeting, the Keynesian pattern of

budgeting of public finance has provided a new dimension to budgetary philosophy. And, therefore, we find this Keynesian method of budgeting influencing the thinking in India. Take the United States from 1900. From 1950 onwards, take Netherlands, they calculate the deficit as a percentage of the Gross Domestic Product.

It is done throughout the world. You see the World Bank Report. There is a different definition of deficit. All compare deficit with gross domestic product. Therefore, I may say, in all humility that I have tried to limit the deficit to a very reasonable term. I may take the history of India, our own history in the famous Bombay Plan itself. They have discussed the question of the created money. I have gone through the whole history of deficit financing as a plan tool study made by Mr. Vasudevan "Deficit Planning Control Movement of Price of India 1947" book. Deficit financing as a plan tool for covering up resource gap was not new to India at the time of formulation of the First Five Year Plan or as a matter of fact at the time of Independence. In the popularly known Bombay Plan, there was a reference to created money. Now, in the First Five Year Plan itself, we find that they had provided for by the Planning Commission itself. The Planning Commission established in March 1950 had examined rather carefully the implications of deficit financing for nation's economic development. It believed that stability of prices cannot be an end itself; particularly if this can be attained only by restricting the income of large mass of people. It envisaged that over five year period, deficit financing could be resorted to the tune of Rs. 290 crores if the national income should rise by Rs. 1000 crores; if the national income rises Rs. 1000 crores, they have deficit of Rs. 290 crores. Now, I have gone through the Second Five Year Plan, Third Five Year Plan and Fourth Five Year Plan. They have all, in a bigger or a smaller measure, recourse to deficit financing. While I do not say that deficit financing should be taken casually, I am very rigid on that. What I have said in my budget speech is that I will try with the blessing of the House, with the support of the hon. members; I am very sure that they will one

[Shri Narayan Datt Tiwari]

day come to me for a proposal regarding public expenditure. They will keep this in mind that we control expenditure, public expenditure to the limits that have been provided for in the budget; I seek your support; I will try to see that we control expenditure; we retain expenditure to the present level, as far as possible including unforeseen circumstances. I seek the blessings of this House and we will monitor expenditure; we will monitor also creation of money, what they call, monetary policy and fiscal policy, tuned towards restraining the budgetary deficit and public expenditure.

AN HON. MEMBER: Only unproductive!

SHRI AMAL DATTA: Like Prime Minister's visit.

SHRI NARAYAN DATT TIWARI: Some of my friends were mentioning about money supply and some of them quoted the Economic Survey Report. I may also quote it. I do not know how they missed this paragraph on page 71 Monetary and Credit Developments. It reads as under:

"A striking feature of monetary developments during the year has been the declaration in the growth in money supply despite pressure on Government expenditure. The expansion in net Bank Credit to Government has also been slower than in the previous year. The sharp reduction in food credit pari passu with a large drawdown in foodgrains stocks provided room for expansion of other credit without affecting the overall monetary balance."

I am not quoting other paragraphs, but, here this Survey Report, itself has been accepted as a credible document by all my friends who have even criticised our proposals. It has been made very clear that there has been declaration in the growth and money supply and I may assure you that we will fully support the Reserve Bank in all fiscal and monetary policies which the

RB might advise us or the country to follow in this coming year also so that we can maintain a proper balance in money supply, in 3-M and also to see that we do not have expansion of money supply which is not manageable and which is not inflationary.

And, therefore, I would like now to assure the House that we will try to introduce economy measures and we will try to do whatever needs to be done on the expenditure side.

Now, coming to the action plan I find that our distinguished friend has come now — there has been a question regarding action plan on agriculture, that I have not provided for 40 percent of increased outlay for agriculture. I would like to refer to para 72 of my Budget Speech as well as page 17 of *The Budget at a Glance* where it makes clear that the allocations referred to are not related to two departments. Let me quote from para 72 of my Budget Speech:

"As mentioned earlier, it has been decided to increase the outlays of the Departments of Agriculture and Cooperation and Water Resources by 40 percent above the current year's outlay."

There is no ambiguity that these figures refer to allocations for the departments. I repeat, Department of Agriculture and Cooperation and Water Resources are shown in the tables at pages 14 and 15 in the *Budget at a Glance*. The figures are Rs. 675 crores for Department of Agriculture in 1988-89, and Rs. 227 crores for Department of Water Resources. The corresponding figures for 1987-88 are Rs. 469 crores and Rs. 172 crores. Thus, the percentage increase in the Budget Estimates 1988-89 for the two departments is 40 percent. There might be a little confusion because the figures for departments are different from the figures and outlays by sectors.

SHRI SOMNATH CHATTERJEE: Now you have come. That is the way out thought of now.

SHRI NARAYAN DATT TIWARI: Let us see the difference. For example, the expenditure on food storage and warehousing forms a part of sectoral outlay for agriculture. It does not form part of departmental budget; but when it comes to sectoral outlay as referred to by the Planning Commission, the expenditure on food storage and warehousing forms part of the sectoral outlay for agriculture. But it does not form part of the outlay for the Department of Agriculture.

Similarly, there are several other items like Forestry and Wild Life which are not included in the budget estimates of Agriculture and Cooperation. Therefore, I might add, in all humility, that there is no mistake in the Speech or the budget documents.

SHRI SOMNATH CHATTERJEE: I expected that a person like Shri Narayan Datt Tiwari would have admitted the mistake and then given the explanation.

AN HON. MEMBER: Why? There is no mistake.

SHRI NARAYAN DATT TIWARI: I am coming to the Action Plan which is reflected, because that is most important, that what we are going to do, what has been proposed, is there. I will admit any mistake. *(Interruptions)*

PROF. MADHU DANDAVATE (Rajapur): If you do not mind, if you take the figures of outlay for 1987-88 and 1988-89, if you take only Agriculture the allocations are Rs. 1157 crores in 1987-88 and Rs. 1078 crores plus Irrigation and Flood Control Rs. 217 crores in 1988-89, then if you compare it comes to 40 per cent. But if you take this Irrigation plus Agriculture for both, in that case, it is 20 per cent; and if you take the Revised Estimates for 1987-88, actually there is a decline by six per cent.

(Interruptions)

SHRI NARAYAN DATT TIWARI: What I mean to say is that I have already made it clear that there are a many items which are mentioned in the sectoral outlays which

are not mentioned in the departmental outlays and vice-versa. I have given you the figures. For example, Forestry and Wild Life by any means cannot form part of agricultural production, or agriculture *per se*. But it is there in the sectoral outlay.

SHRI AMAL DATTA (Diamond Harbour): But these figures are there. Are you referring to figures which are all comparable items?

(Interruptions)

SHRI NARAYAN DATT TIWARI: I think there is a scope, I mean what deduction, what inference I have, I get from this is that we should have more of harmonisation between the sectoral outlays and departmental outlays. We will certainly look into it. *(Interruptions)*

PROF. MADHU DANDAVATE (Rajapur): There should be harmony between the figures and the reality. *(Interruptions)*

SHRI SOMNATH CHATTERJEE (Bolpur): Sir, the public consumption of forty per cent is the imposing figure. *(Interruptions)*

SHRI BASUDEB ACHARIA (Bankura): You should revise it. *(Interruptions)*

SHRI NARAYAN DATT TIWARI: Coming to the additional plan of action for agriculture, to which the hon. Member was referring to ... *(Interruptions)*

SHRI SOMNATH CHATTERJEE: They say it is forty per cent. Therefore, it must be forty percent. *(Interruptions)*

SHRI AMAL DATTA (Diamond Harbour): This is not meant for agriculture. *(Interruptions)*

SHRI THAMPAN THOMAS: That is why, it is called 'Election Budget'. *(Interruptions)*

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): If you look at the elephant from the front, only you will find like that.

PROF. MADHU DANDAVATE: Why do you look at the elephant, look at the human beings. *(Interruptions)*

SHRI NARAYAN DATT TIWARI: Sir, with this objective, the Prime Minister has set up a task force to finalise an action plan which can be put into place quickly. Under this plan, it is proposed to instal six lakhs shallow tube wells per annum in the plains and delta regions of the eastern States and Andhra Pradesh. I think our friends from West Bengal will be happy. *(Interruptions)*

SHRI AMAL DATTA: For your information, in the delta region, your shallow tube well is useless. *(Interruptions)*

SHRI NARAYAN DATT TIWARI: Not only in the delta regions in Andhra Pradesh. *(Interruptions)*

Rupees ninety crores will be spent for this six lakhs shallow tube wells. There new schemes will be launched for rice at a cost of Rs. 16.50 crores; four new schemes will be launched at a cost of Rs. 20.50 crores for wheat; two schemes at a cost of Rs. 5 crores for maize and for fertilizers at a cost of Rs. 2.28 crores + so, we have a whole scheme to provide intensive agricultural production in selected areas and this selection plan reflects the new thrust. *(Interruptions)*

SHRI AMAL DATTA: The selection makes it very minute. Nothing at all. *(Interruptions)*

SHRI NARAYAN DATT TIWARI: Apart from that, there will be a development programme for seventy Command Areas and early completion of specified major and medium irrigation projects, provided the concerned State Governments accept clear responsibility for the implementation of an operational water plan and the action plan has also identified seventy-seven Command Area Development Projects for accelerated completion of delivery system of water including the field channels.

So, this action plan is oriented towards productivity in agriculture and for fulfilling

the target of reaching the production level of 175 million tonnes, which is the accepted goal of this august House. *(Interruptions)*

SHRI BASUDEB ACHARIA (Bankura): Good production. *(Interruptions)*

SHRI NARAYAN DATT TIWARI: Regarding interest payments on market loans, many of my friends have mentioned that the interest payments on market borrowings were almost equal to the amount of market borrowings. I must point out that this Budget perception is incorrect. The interest on market loans was Rs. 3,693 crores in 1987-88 and is likely to go up to Rs. 4,700 crores during the next year. Both these figures are well below the amount of Rs. 7,000 crores of net market borrowing in each year.

While calculating the net burden of outgo interest, we have only calculated Rs. 14,000 crores that we are going to pay as interest on savings. But we have not taken into account Rs. 7000 crores that will be received by the Centre from States and other authorities. So, it is not that we are only paying Rs. 14,000 crores but we are also getting Rs. 7000 crores from States.

SHRI SOMNATH CHATTERJEE: But your payment of interest figure of Rs. 14,100 crores is correct. *(Interruptions)*

SHRI NARAYAN DATT TIWARI: I would like to submit for the consideration of the Chairman of PAC because he seems to be confused...

SHRI AMAL DATTA: I am very much confused. You have not repaid a debt to the extent of Rs. 16,000 crores.

SHRI NARAYAN DATT TIWARI: It is a generally accepted axiom that the rate of household savings in India should be about 25 per cent to 26 per cent. Even today, the rate of household savings is about 25 per cent. We have to mobilise more of household savings so that we can finance the Plan out of the household savings. We are trying to increase it to the level of 25 per cent to 26 per cent. How do we mo-

bilise these savings unless we pay interest? That is where we should not be fettered by Adam Smith. Let us be influenced by more modern economists.

SHRI SOMNATH CHATTERJEE: But not Keynes?

SHRI NARAYAN DATT TIWARI: Well, I do not know which economist you follow - Keynes or Mahalanobis..(Interruptions) I follow Indian economists. Therefore, what I am going to say is that we should be careful about borrowed funds for revenue expenditure. Therefore, we are conscious of the fact that we should not use to a disproportionate extent borrowed funds for current revenue expenditure, but for productive expenditure, for capital expenditure. That is a well recognised axiom of financial investment.

Regarding price situation, much has been said about it. I would like to ask this question from my friends. All will agree that there has been an unprecedented drought. What is the result of that drought? The present inflationary impact of 9.8 per cent is because of the drought and lesser agricultural production. Nobody could help it. This is a natural result of the natural calamity - drought and flood. Of course, most of the Members have appreciated our efforts to contain hardship by our meeting the drought conditions. But I feel that we have to do more in this area. We have to contend with the fact that we have a very bad drought this year over which we have no control. Last time when we suffered a similar drought during 1979-80 the inflation rate had risen to over 21 per cent. The inflation rate has been relatively low this year compared to the earlier drought year largely because of the prompt and carefully planned intervention by the Government at the right time.

SHRI S. JAIPAL REDDY (Mahabubnagar): That 20 per cent inflation was not due to drought but as a result of the misrule of the Janata Party!

SHRI NARAYAN DATT TIWARI: The

backbone of inflation controlled policy has been the large scale distribution of food-grains through the public distribution system, special employment programmes, relief programmes and other channels. This has been possible because of large stock of over 23 million tonnes of foodgrains which have been accumulated upto June last year. Since August last year, foodgrains have been distributed at the enhanced rate of 2 million tonnes per month. I am just reminding the House of one statistics that two million tonnes of foodgrains were being distributed every month and this has led... (Interruptions)

SHRI AMAL DATTA: From the public distribution system?

SHRI NARAYAN DATT TIWARI: Through the public distribution system.

SHRI AMAL DATTA: No, half of that to the wheat millers.

SHRI NARAYAN DATT TIWARI: Well, the distribution of cereals has also been supported by the enhanced distribution of imported edible oils, pulses and sugar.

On the side of the demand management, we have already taken measures in the last financial year to meet the huge additional expenditure on drought and flood relief, largely through cuts in other expenditure and through additional resource mobilisation. One of my friends had asked that why did we continue with the levy of surcharge on income-tax and why are we not giving it to States. Now, let me remind.. (Interruptions)

SHRI SOMNATH CHATTERJEE: I said, you should make it a part of the tax—if at all you have to levy it—not surcharge. Why should it be surcharge?

SHRI NARAYAN DATT TIWARI: Well, all these funds which have been mobilised for meeting the drought and floods, are going to the States. The Centre is not spending it anywhere.. (Interruptions). The Central teams have gone to the States...(Interruptions). (Therefore, all these

[Shri Narayan Datt Tiwari]

funds are going to the States...(Interruptions).

SHRI BASUDEB ACHARIA: They are going to the States as Plan Advance.

SHRI NARAYAN DATT TIWARI: My distinguished colleagues, Mr. Gadhvi and Mr. Panja have already referred to many points regarding expenditure, administered prices, public sector enterprises and to other matters. I need not repeat all those arguments, but I would like to mention about industrial sickness...(Interruptions).

SHRI BASUDEB ACHARIA: 1,47,000.

SHRI NARAYAN DATT TIWARI: Most of the measures that I have taken in the budget, by reducing excise duties and indirect taxes, are.. (Interruptions).

SHRI SOMNATH CHATTERJEE: To close down.

SHRI NARAYAN DATT TIWARI: Not to close down, but to revive the sick industries. Take cement industry, take the plastic industry, take the textile industry. I know that one of the prime initiatives taken by the Opposition was regarding textile industry. There was a huge demonstration of textile workers outside. Lakhs of workers are in danger of losing their jobs in Gujarat, in Maharashtra, and therefore, we had a whole package so that this textile industry could be revived. Similarly, regarding plastic industry, soap industry, paper industry, petro-chemicals industry...(Interruptions).

SHRI K.S. RAO: (Machilipatnam): Mini cement plants.

SHRI NARAYAN DATT TIWARI: Mini cement plants we can consider later on...(Interruptions). We have taken a whole series of steps to meet the problem of industrial sickness...(Interruptions).

Regarding capital market, Shri Ramaiah has... (Interruptions)

SHRI AMAL DATTA: Is industrial sickness over? About 1,50,000 industrial units are ...(Interruptions).

MR. DEPUTY-SPEAKER: The time is over, Sir. Already it is 3.30 p.m.

SHRI NARAYAN DATT TIWARI: Regarding capital market, Shri Ramaiah has expressed his concern about the impact of the budget on the capital market...(Interruptions). I must point out that the budget has specially provided a separate exemption of Rs. 3,000 income from dividends, under section 80L of the Income-tax Act. Venture capital companies' funds are also to enable to invest in new companies. Various tax reliefs have been granted to mutual funds to enable market investors to more easily participate in the capital market...(Interruptions) I am sure that with our acceptance of most of the recommendations of the Dave Committee, the capital market will fully respond to the proposals that I have made, and especially the shares for new industries will come up and the capital market will once again start booming. That is my hope.

Regarding transfer of resources to States, I may make it very clear, that the total quantum of resource net of repayment which has been transferred to States has trebled in this decade gone up by three times. In the year 1979-80, the net resource transferred to the States amounted to Rs. 7735 crores.

MR. DEPUTY-SPEAKER: Mr. Minister, how much time will you take to conclude your speech.

SHRI NARAYAN DATT TIWARI: Within a few minutes, I will conclude. Now, Sir, the quantum of share transferred to the States is Rs. 26,348 crores and they say they have not been receiving their share. Even in this budget proposals that I have made about 40% of the new resources have gone to the States.

SHRI S. JAIPAL REDDY: What is the proportion?

SHRI NARAYAN DATT TIWARI: About 85 % of the income tax revenue goes to the States. Whatever proposals we are making in respect of Direct taxes and Income-tax, they are going to the States...(Interruptions).

Sir, regarding the balance of payment, I may say only one word. I fully agree with Shri B.R. Bhagat and others that there can be no room for complacency where our external situation is concerned. We must continue to take all possible measures to accelerate the growth of export and thus strengthen the capacity to pay for our import needs of machinery and other essential commodities. Therefore, I have proposed many measures in my Budget proposals to augment exports and I hope that the export import policy which I am going to present before this House on the 30th of March will contain more measures in this context.

Sir, there are many points which I have not been able to respond, but I hope I have responded to the major points. But I may assure the hon. Members that all the points which have been mentioned by them will certainly be considered by me and I will write to them individually and if I take some time I might have to consult other institutions.

Translation]

SHRI SOMNATH CHATTERJEE: You have not only to send us letters, but also to work.

SHRI NARAYAN DATT TIWARI: Yes, work is also to be done.

SHRI SOMNATH CHATTERJEE: We send letters daily but nothing happens.
Interruptions)

[English]

SHRI NARAYAN DATT TIWARI: Now, I would like to say about the test of the budget, what should be the test of judging the budget? I would only venture to state that when I went through my speech, my proposals, I remembered Bapu, Mahatma Gandhi, when he wrote and I quote a few sentences here.

"I will give you a talisman whenever you are in doubt, or when thyself becomes too much with you, apply the following test. Recall the face of the poorest and the weakest man whom you may have seen, and ask yourself, if the step you contemplate is going to be of any use to him. Will he gain anything by it?"

That is the test and if you put this budget to this test, I hope we will all together have taken one step forward. We can claim ourselves that we have taken one step forward. This is the test that I have applied in my budget proposals. With all humility that I may say, as I take the blessings of this House, I hope that this is one step forward and this step forward that I have taken is in the common interest.

15.31 hrs.

DEMANDS FOR GRANTS ON ACCOUNT (GENERAL), 1988-89

[English]

MR. DEPUTY-SPEAKER: The House will now take up Demands for Grants on Account in respect of Budget (General) for 1988-89.

Motion moved:.

"That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India on account for or towards defraying the charges during the year ending on the 31st day of March, 1989, in respect of the heads of demands entered in the second column thereof against Demands Nos. 1 to 27, 29, 30, 32 to 85, 87, 89 to 94."

MR. DEPUTY-SPEAKER: I shall now put to the vote of the House Demands for Grants on Account in respect of Budget (General) for 1988-89.

The question is:

[Mr. Deputy Speaker]

"That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India, on account, for or towards defraying the charges during the year ending on the 31st day of March, 1989, in respect of the heads of de-

mands entered in the second column against Demands Nos. 1 to 27, 29, 30, 32 to 85, 87, 89 to 94."

The motion was adopted.

MR. DEPUTY-SPEAKER: The Demands for Grants on Account (General) for 1988-89 are passed.

Demands for Grants on Account (General) for 1988-89 Voted by Lok Sabha

No. of Demand	Name of Demand	Amount of Demand for Grant Voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4

MINISTRY OF AGRICULTURE

1.	Agriculture	67,60,00,000	1,24,00,000
2.	Other Services of Department of Agriculture and Cooperation	42,40,00,000	29,34,00,000
3.	Department of Agricultural Research and Education	33,53,00,000	--
4.	Department of Rural Development	778,13,00,000	5,00,000
5	Department of Fertilizers	898,42,00,000	70,67,00,000

MINISTRY OF CIVIL AVIATION

6.	Civil Aviation	8,82,00,000	2,17,00,000
----	----------------	-------------	-------------

MINISTRY OF COMMERCE

7.	Department of Commerce	202,59,00,000	32,38,00,000
8.	Department of Supply	3,45,00,000	--

MINISTRY OF COMMUNICATIONS

9.	Ministry of Communications	1,25,00,000	27,00,000
10.	Postal Services	181,82,00,000	7,81,00,000

1	2	3	4
11.	Telecommunication Services	404,25,00,000	229,00,00,000
MINISTRY OF DEFENCE			
12.	Ministry of Defence	102,68,00,000	28,21,00,000
13.	Defence Pensions	183,26,00,000	--
14.	Defence Services-Army	1145,83,00,000	--
15.	Defence Services-Navy	130,12,00,000	--
16.	Defence Services-Air Force	298,72,00,000	--
17.	Defence Ordnance Factories	20,65,00,000	--
18.	Capital Outlay on Defence Services	--	643,24,00,000
MINISTRY OF ENERGY			
19.	Department of Coal	22,29,00,000	255,67,00,000
20.	Department of Power	56,41,00,000	243,49,00,000
21.	Department of Non-Conventional Energy Sources	16,11,00,000	42,00,000
MINISTRY OF ENVIRONMENT AND FORESTS			
22.	Ministry of Environment and Forests	31,44,00,000	49,00,000
MINISTRY OF EXTERNAL AFFAIRS			
23.	Ministry of External Affairs	69,26,00,000	15,50,00,000
MINISTRY OF FINANCE			
24.	Department of Economic Affairs	70,58,00,000	27,79,00,000
25.	Currency, Coinage and Stamps	46,40,00,000	33,34,00,000
26.	Payments to Financial Institutions	54,94,00,000	227,81,00,000

	2	3	4
27. Pensions	82,56,00,000		
29. Transfers to State Governments	1150,20,00,000	17,50,00,000	
30. Loans to Government Servants, etc.	--	27,50,00,000	
32. Department of Expenditure	134,04,00,000	30,00,000	
33. Audit	32,32,00,000	--	
34. Department of Revenue	34,78,00,000	24,00,000	
35. Direct Taxes	26,58,00,000	20,00,00,000	
36. Indirect Taxes	57,23,00,000	12,77,00,000	
MINISTRY OF FOOD AND CIVIL SUPPLIES			
37. Department of Food	406,37,00,000	20,81,00,000	
38. Department of Civil Supplies	8,10,00,000	71,00,000	
MINISTRY OF HEALTH AND FAMILY WELFARE			
39. Department of Health	65,55,00,000	24,74,00,000	
40. Department of Family Welfare	113,52,00,000	1,00,000	
MINISTRY OF HOME AFFAIRS			
41. Ministry of Home Affairs	26,46,00,000	--	
42. Cabinet	2,88,00,000	--	
43. Police	187,86,00,000	17,54,00,000	
44. Other Expenditure of the Ministry of Home Affairs	42,45,00,000	17,91,00,000	
45. Transfers to Union Territory Governments	9,08,00,000	4,73,00,000	
MINISTRY OF HUMAN RESOURCE DEVELOPMENT			
46. Department of Education	261,85,00,000	12,00,000	

1	2	3	4
47.	Department of Youth Affairs and Sports	15,74,00,000	42,00,000
48.	Art and Culture	25,57,00,000	3,42,00,000
49.	Department of Women and Child Development	44,06,00,000	--
MINISTRY OF INDUSTRY			
50.	Department of Industrial Development	82,40,00,000	29,91,00,000
51.	Department of Company Affairs	1,19,00,000	--
52.	Department of Chemicals and Petrochemicals	1,58,00,000	19,34,00,000
53.	Department of Public Enterprises	4,08,00,000	77,99,00,000
MINISTRY OF INFORMATION AND BROADCASTING			
54.	Ministry of Information and Broadcasting	10,89,00,000	72,00,000
55.	Broadcasting Services	69,82,00,000	53,17,00,000
MINISTRY OF LABOUR			
56.	Ministry of Labour	41,28,00,000	12,00,000
MINISTRY OF LAW AND JUSTICE			
57.	Law and Justice	5,37,00,000	--
MINISTRY OF PARLIAMENTARY AFFAIRS			
58.	Ministry of Parliamentary Affairs	14,00,000	--
MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS			
59.	Ministry of Personnel, Public Grievances and Pensions	5,95,00,000	--
MINISTRY OF PETROLEUM AND NATURAL GAS			
60.	Ministry of Petroleum and Natural Gas	28,91,00,000	23,48,00,000

1	2	3	4
MINISTRY OF PLANNING			
61.	Planning	2,30,00,000	-
62.	Department of Statistics	5,87,00,000	
MINISTRY OF PROGRAMME IMPLEMENTATION			
63.	Ministry of Programme Implementation	13,00,000	--
MINISTRY OF SCIENCE AND TECHNOLOGY			
64.	Department of Science and Technology	27,75,00,000	3.08.00,000
65.	Department of Scientific and Industrial Research	33,99,00,000	78,00,000
66.	Department of Biotechnology	6,86,00,000	92,00,000
MINISTRY OF STEEL AND MINES			
67.	Department of Steel	8,60,00,000	108,24,00,000
68.	Department of Mines	19,69,00,000	37,77,00,000
MINISTRY OF SURFACE TRANSPORT			
69.	Surface Transport	5,45,00,000	24,89,00,000
70.	Roads	47,41,00,000	81,05,00,000
71.	Ports, Lighthouses and Shipping	18,78,00,000	54,80,00,000
MINISTRY OF TEXTILES			
72.	Ministry of Textiles	87,26,00,000	47,95,00,000
MINISTRY OF TOURISM			
73.	Ministry of Tourism	5,89,00,000	2,66,00,000
MINISTRY OF URBAN DEVELOPMENT			
74.	Urban Development and Housing	13,57,00,000	18,53,00,000
75.	Public Works	27,67,00,000	12,71,00,000
76.	Stationery and Printing	12,66,00,000	1,00,00,000
MINISTRY OF WATER RESOURCES			
77.	Ministry of Water Resources	49,60,00,000	2,77,00,000

401	Appr. (vote on Account) Bill	PHALGUNA 28, 1909 (SAKA)	Appr. (vote on Account) Bill	402
1	2		3	4
MINISTRY OF WELFARE				
78.	Ministry of Welfare		47,67,00,000	14,00,000
DEPARTMENT OF ATOMIC ENERGY				
79.	Atomic Energy		51,67,00,000	82,42,00,000
80.	Nuclear Power Schemes		56,53,00,000	38,00,00,000
DEPARTMENT OF ELECTRONICS				
81.	Department of Electronics		13,47,00,000	8,41,00,000
DEPARTMENT OF OCEAN DEVELOPMENT				
82.	Department of Ocean Development		4,34,00,000	48,00,000
DEPARTMENT OF SPACE				
83.	Department of Space		46,36,00,000	44,33,00,000
PARLIAMENT, SECRETARIATS OF THE PRESIDENT, VICE-PRESIDENT AND UNION PUBLIC SERVICE COMMISSION				
84.	Lok Sabha		2,49,00,000	—
85.	Rajya Sabha		93,00,000	—
87.	Secretariat of the Vice-President		3,00,000	—
MINISTRY OF HOME AFFAIRS - UNION TERRITORIES (Without Legislature)				
89.	Delhi		115,72,00,000	83,93,00,000
90.	Andaman and Nicobar Islands		16,69,00,000	12,04,00,000
91.	Dadra and Nagar Haveli		3,08,00,000	95,00,000
92.	Lakshadweep		4,49,00,000	1,80,00,000
93.	Chandigarh		18,48,00,000	6,21,00,000
94.	Daman and Diu		2,07,00,000	1,93,00,000

15.35 hrs.

**APPROPRIATION (VOTE ON ACCOUNT)
BILL ***

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): Sir, I beg to move for leave to introduce a Bill to provide for the withdrawal of certain sums from and out of

the Consolidated Fund of India for the services of a part of the financial year, 1988-89.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the

* Published in the Gazette of India Extraordinary, Part II, Section 2, dated 18.3.88.

[Mr. Deputy Speaker]

services of a part of the financial year
1988-89."

The motion was adopted.

SHRI B.K. GADHVI: Sir, I introduce**
the Bill.

MR. DEPUTY SPEAKER: Mr. Minister,
you may now move the Bill for considera-
tion.

SHRI B.K. GADHVI: Sir, I beg to
move:**

"That the Bill to provide for the
withdrawal of certain sums from and
out of the Consolidated Fund of In-
dia for the services of a part of the
financial year 1988-89 be taken into
consideration."

MR. DEPUTY-SPEAKER: The question is:

"That the Bill to provide for the
withdrawal of certain sums from and
out of the Consolidated Fund of In-
dia for the services of a part of the
financial year 1988-89 be taken into
consideration."

The motion was adopted.

MR. DEPUTY-SPEAKER: We shall now
take up clause-by-clause consideration of
the Bill.

The question is:

"That clauses 2 to 4 and the Sched-
ule stand part of the Bill."

The motion was adopted.

*Clauses 2 to 4 and the Schedule were
added to the Bill.*

MR. DEPUTY-SPEAKER: The question is:

"That clause 1, the Enacting Formula
and the Title stand part of the Bill."

The motion was adopted.

*Clause 1, the Enacting Formula and the Title
were added to the Bill.*

SHRI B.K. GADHVI: Sir, I move:

"That the Bill be passed."

MR. DEPUTY-SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

15.36-1/2 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

[Translation]

Forty Ninth-Report

SHRIMATI USHA RANI TOMAR
(Aligarh): I beg to move that this House do
agree with the Forty-Ninth Report of the
Committee on Private Members' Bills and
Resolutions presented to the House on the
16th March, 1988.

[English]

MR. DEPUTY-SPEAKER: The question is:

"That this House do agree with the
Forty-Ninth Report of the Committee
on Private Members' Bills and Reso-
lutions presented to the House on
the 16th March, 1988."

The motion was adopted.

15.37 hrs.

RESOLUTION RE: MEASURES FOR UP- LIFTMENT OF TRIBAL PEOPLE- Contd.

[English]

MR. DEPUTY-SPEAKER: We shall now
take up further discussion of the following

** Introduced/moved with the recommendation of the President.

Resolution moved by Shri Dileep Singh Bhuria on the 16th April, 1987:

"This House expresses its concern over the continued backwardness of tribal people in the country even after thirty-nine years of independence and in order to prevent their exploitation and uplift them economically, socially, culturally and educationally, recommends to the Government to -

(1) take necessary measures for proper and effective implementation of various tribal welfare schemes in tribal regions;

(2) open more schools and adult education-centres in the tribal regions;

(3) give priority in employment to tribal people in various Government development schemes viz., construction and other works undertaken through the Department of Irrigation, Public Works, Forest Development, Public Health and Rural Engineering etc., in tribal regions; and

(4) purchases their forest produce at reasonable prices."

Shri Maurice Kujur may continue his speech.

SHRI MAURICE KUJUR (Sundargarh): Mr. Deputy-Speaker, Sir, last time I was just on my legs and the House was adjourned. So, hardly I could speak anything on this Resolution.

Sir, nature has fortunately endowed the tribal areas with the country's richest forests and minerals. But instead of enjoying the fruits of these natural resources, the tribals are adversely affected by the establishment of big industries and irrigation projects. Large scale industrial ventures, hydro-electric projects and irrigation dams have come up in the tribal areas. Because of these large industries and projects, the tribals of these areas have to sacrifice the

land on which they have been depending hitherto. Sir, as per the report of the Commissioner of Scheduled Castes and Scheduled Tribes, out of 119 projects so far undertaken, 17 lakh people have been displaced. Out of the 17 lakhs, 8 lakhs are tribals and out of these 8 lakhs only 2 lakhs have been given land for land. And the land which is given is also of third grade land where there is no water facility for agricultural purpose. Displacement is one of the reasons in some form or other where the voice of discontentment has been raised by the tribals on different occasions in different forums and platforms. The rehabilitation of these tribals has become a never-ending problem and employment to the displaced tribals also is a never-ending problem. These projects are necessary in the national interest and displacement is inevitable. But the methods adopted for rehabilitation need definite planning and improvement. Rehabilitation should be accompanied by allotment of alternative piece of good land, not just land for land sake. Arrangement for importing technical skill to the tribals should be made so that the tribals of the soil will get employment in the projects which come up on their land.

Almost in all the States, laws have been passed prohibiting alienation of tribal land to non-tribals. In spite of these laws, with some plea or the other, still the lands of the tribals are being grabbed. All lands of tribals should be protected and help should be provided for agricultural development. About two lakh tribal families in about 5,000 forest villages in the country do not possess the right to the land they cultivate since many years. Without these forest villages being declared revenue villages, these tribals cannot get benefit from various development programmes which are meant for tribals. There are many such forest villages in my constituency also. A survey should be made on such forest villages and landless tribals who are cultivating on forest land for more than 15 years should be granted lease of such land.

In spite of the various beneficial programmes, tribals are still lagging behind. We must find out the reasons for this

[Shri Maurice Kujur]

backwardness. I think, one of the factors responsible for backwardness of the tribals is lack of education. It is really shocking that literacy rate among the tribals is very low compared to the literacy rate of other communities. Only 8% of total tribals are educated. What is needed is, educated tribals and not merely literate tribals. In the light of this, attention should be paid for better facilities in the tribal areas in the form of school buildings, hostel buildings, and teacher quarters. Efforts should be made to induct more tribals teachers to work in the tribal areas where others are reluctant to serve. Special allowances and incentives should be given to make the job more attractive in the tribal areas.

Schemes for providing stipends and scholarships to the tribal students for pre-matric classes is prevalent in almost all the States, while the finances for post-matric classes are provided by the Central Government. The present rate of stipends should be enhanced and payment should be made regular and timely so that the tribal students get real and timely benefit. There should not be income limit for the award of stipends for tribal students. The present strength of Scheduled Tribes in various categories of Services is very poor. The reservation policy is only on pen and paper in many of the States. The reservation policy is not followed strictly in many States. Implementation of reservation policy should be ensured in all States. The Welfare Department should arrange for imparting intensive coaching to Scheduled Tribes and to the educated unemployed so that they will be able to derive advantage from the large-scale industrialisation which is taking place in the country.

The Central Government has been allocating funds for the uplift of tribals under different schemes. The State Governments are also spending money for the welfare of the tribals. But it is unfortunate that the tribals have not got all the benefits of the developmental programmes. This is because the implementation of these development programmes is more in letter than in spirit in several cases. Somewhere at some point it appears there is understanding between exploiters and pro-

gramme implementing agencies. This is the real tragedy of the tribals. This exploitation should be stopped at all levels and in all Stages. Unless this is done, the real fruits of any programme and scheme will not reach the tribals who are mostly illiterate, ignorant and simple.

For effective implementation of different programmes and schemes, the District Tribal Council should be formed in all the tribal populated districts and the local tribal leaders be involved in the development programme.

With these words, I welcome the Resolution.

MR. DEPUTY-SPEAKER: Now Shri Narayan Choubey will speak. Be brief.

SHRI NARAYAN CHOUBEY (Midnapore): While welcoming this Resolution, I have to make a few submissions to the hon. Minister. First of all, I would like to take up land reforms. Most of the tribals in this country are very poor and most of them are landless people. In most of the states, land reform has not been implemented. If we can implement the land reforms properly and if we can give land to the tribals, that will be a big thing and it will be a step forward in the matter of ameliorating the condition of the tribals.

The Government of India have a Plan to give cheap food to the tribals. In places where the tribals are in a majority, the Government reserves wheat and rice supply at cheap prices to the tribals, cheaper than the ration shop prices. But I know that the supplies are not reaching the tribals. Some touts and some middlemen here and there and most of whom are not tribals, are making money out of this. I would like the Government to make enquiries into this matter so that proper action taken and the money spent by the Government of India for the cause of the tribals really reach the tribals.

The tribals are generally son of the jungles, and we are having a very big deforestation in almost all the tribal areas. Previously deforestation was taking place in

connivance with the contractors and the officers of the Forest Department but now-a-days even the common tribal people are also engaged in deforestation and they have no fear of morrow's consequences. One of the reasons of this deforestation is the non availability of fuel, energy. The non-availability of fuel is one of the reasons for the tribals to fell the trees. They are suffering from the non-availability of fuel. So, they are bound to do this. I would like to point out one thing. Now, the Government of India is giving enough subsidy for gobar gas plant and solar energy plants. Special efforts should be made to involve the tribals with much subsidy - sometimes free of cost if it is possible - in order to provide them with this solar energy plant and gobar energy plants in a big scale in the tribals areas. By doing this, they can make use of these types of energies for preparing their food so that there is no reason for them to fell the trees in the name of getting fuel-wood. I hope that the Government will consider this suggestion. At the same time, we have to see to the afforestation programmes. The afforestation programme is so much needed for the entire country as a whole. Whereas we know that only 33 per cent of our entire land is to be covered by forests. But in India, it is not more than 18%. In my State, it is something between 7-8%. In some States, it is less and in some other States it is more. If we can involve the tribals themselves in the afforestation programmes, we can achieve a lot. Now, money is spent through the contractors. So, without spending that money through the contractors and if you can help the tribals and involve them through Gram Panchayats, we can have two things. We can have afforestation and we can also have a source of living for the tribals. It is a big problem in the tribal areas because mostly they live in the hilly areas, in areas where there is acute problem for potable water. Our hon. Finance Minister has said that one-million wells would be sunk in these hilly areas. I would like to request the Government to give thought to one thing. It is easy to say but it is very difficult to implement things. I have seen certain things with my own experience. Suppose,

if you want to spend Rs. 5000 per well, in some places you will be able to dig a well by spending much less than Rs. 5000/- and in some places you will not be able to have a well by spending Rs. 5000/-. You have to spend much more than that amount. But, since the Government's standard amount is Rs. 5000/- the entire money would be spent without actually getting any water. Therefore, I would suggest to the Government to see that this programme is implemented mostly in the tribal areas.

Regarding education, I would like to say a few things. It has been noted that in the name of giving benefits to tribals, many schools have been opened but it is noted with concern, that in most of the schools, most of the teachers do not teach. These schools are mainly meant for deriving income by the teachers and they are not meant for imparting education to the tribals. We have also noted that many of the teachers are non-tribals and they have been appointed as teachers in the tribal areas. They do not want to go to the tribal areas and stay there. Their only concern is to have a school in the tribal areas to earn money alone and nothing else.

15.53. hrs.

[SHRI N. VENKATA RATNAM in the Chair]

I would like to request the hon. Minister and the Government to see that the teachers appointed in the tribal schools are preferably to be tribals themselves so that they can love the people and impart education with a zeal. Otherwise, the non-tribal teachers in the tribal areas would prefer to have a school under the sky to earn money and not to impart education to the tribals.

Lastly, I would beg to submit one thing. There is a problem and the hon. Minister also knows this problem. Let us, for example, talk of a tribal in Andhra Pradesh, who is in Government employment. He is transferred from Andhra Pradesh to Delhi. But in Delhi, in the list of tribals, he may not find a place. Naturally, he is out of benefit. A man, who has been appointed

[Shri Narayan Choubey]

as a tribal in Andhra Pradesh, if he comes to Delhi and if he wants to get a certificate to his son as a tribal, in Delhi his son is not going to get that certificate. Therefore, this problem is raging us. This problem is existing for the last several years. We have been able to solve several other problems. But it is a wonder of wonders that even after so many years, you could not solve this small problem that a poor tribal of Andhra who is living in Bengal for the last more than 60-100 years, there is nobody for him to certify that he belongs to that community. Nobody will certify him in Andhra. Neither the West Bengal Government nor the Orissa Government will give him a certificate. This problem should be solved. With this, I support this Resolution. I hope, the Government will take proper steps to ameliorate the difficulties of the tribals. Thank you.

SHRI SRIBALLAV PANIGRAHI
(Deogarh): Mr. Chairman, Sir, I thank you for giving me an opportunity to participate in the discussion on this Resolution brought by my Hon. friend Shri Bhuria.

I quite appreciate the spirit and the contents of the Resolution. But I find something very important, which is in the very interest of the tribal community, missing in this Resolution. That is, of absence of a clause relating to banning or prohibiting establishment of liquor shops in the tribal areas.

It seems to me that this is a serious matter, a serious disease, a menace that is really striking at the roots of our very economic prosperity or even at the attempts for the betterment of the tribal people. Why tribal communities alone? We talk of tribals because we feel concerned about them that they are the most neglected community.

As you know, ours is a composite society and this tribal community is a very essential ingredient, an essential part of our community. There are several reasons - historical reasons, biological social reasons - for the neglect of the tribals. Not just that

it originates here but it dates back to time immemorial. There are several reasons - historical, cultural, social and economical - for the present state of economic affairs or economic position of the tribals.

Ever since independence, our country is marching forward along the path of progress and prosperity. National income is definitely on the increase. Per-capita income is also on the increase. But, by and large, the tribals do not share such increase. What are the reasons for that? We have to go deep into the matter and find out the solution. Otherwise, as you know, only we will be progressing ahead. And some sort of imbalance is going to be perpetuated. Some sort of imbalance is going to be created and ultimately, it will be perpetuated. That is a danger to our economy and that is also a danger to our solidarity which is very much needed. Solidarity and integrity are much sought for in our set up, in our country. At the same time, emphasis is being laid on the prosperity of the tribal community.

16.00 hrs.

Therefore, after independence in all our Plans emphasis is being given to this aspect, inasmuch as in different States Ministries are created, Departments for tribal and harijan welfare have been created. Of course, of late here in the Centre also there is a Ministry - now the Welfare Ministry. Earlier it was a part of the Home Ministry. The whole lot of tribals, harijans was being looked after by the Home Ministry which was over-burdened with many other important subjects. Therefore, the creation of a separate Welfare Ministry to look after exclusively the down-trodden, tribals, harijans and socially and economically backward communities, etc., is a step in the right direction.

Many other things are also in our schemes. But I feel that these schemes are not being properly implemented. For instance, it is mentioned in the last clause of the Resolution: "Purchase their forest produce at reasonable prices". There is a provision, as far as I know, for purchase of all the agricultural produce, forest produce of

tribals in the jungles and forest areas at reasonable and fair prices. There have been societies like Tribal Development Cooperative Society and others formed for this purpose. But still there is scope for making complaint that they are being exploited, proper remunerative price is not ensured to the tribal people and tribal cultivators and growers are not getting proper prices. What is the remedy? The proper implementation of schemes is the remedy.

There is a tendency, as you know, for exploitation. Those who are in a better position, they try to exploit by and large. Barring very few, there is a tendency among the people in the positions of authority to exploit socially and economically backward people, and those who are in a position to be exploited. Therefore, there should be a lurking fear in their minds. Drastic action should be taken against those who are exploiting these people. Even the officers of the Tribal Welfare Department also are not lagging behind in the matter of exploiting the tribals.

Funds are being sanctioned; but I know several cases and many instances of misuse of such funds meant for the tribal welfare. All the schemes should be properly implemented. What is really needed is the proper implementation of the useful programmes formulated for the welfare of the tribal community.

At the same time, education, as you know, is the basic point for one's development. In the modern age, schools are there. In tribal areas also schools are there. Of course, there is need for opening many more schools. Because tribal habitation is much scattered, the numerical restrictions which are there should be done away with while locating schools in tribal and forest areas. It is not that opening of schools will automatically solve the problem. We come across schools which are opened; but the teachers don't attend the schools. These are people from other areas. They are appointed as teachers. Even without going there one can manage. No inspector goes there for inspection. The

people of the village are not conscious. They do not complain to the higher authorities. It is a question of social inertia, they are in. So, greater attention has to be paid by the administration to see that schools opened in the tribal areas function properly.

Now I come to the question of drop-outs. Children are admitted into the schools. But we find the percentage of drop-outs is quite high particularly in respect of tribal communities. They are so poor that even those who should go to the schools, are engaged by their parents in some other work like grazing cattle and for earning something. Also, they have to take care of their young brothers and sisters at home when their parents go out in search of their livelihood. This point has also to be taken care of.

There should be provision of mid-day meals in every school. Sometimes we give so many incentives like books and other materials. But mostly these do not reach them in time. It serves as disincentive rather than incentive.

My friend, Mr. Kujur dealt with the subject with many facts and figures and illustrations. I am not going to repeat those things. But this point should be well taken care of. At the same time, I also share the feelings expressed by other hon. Members about the miseries of the tribals. It has to be a collective endeavour. It is a question of missionary zeal. Mere orders and instructions do not work fully. The Government instructions and policies should be implemented sincerely and seriously. Unless there is an element of missionary zeal in it, I think, that won't bring in the desired results.

We are constrained to observe that some tribal people, after taking advantage of different Government schemes, when they get well-placed in the society, forget that they too have an obligation towards their brethren. They get higher education. They get good position. They become happy and they become self-seekers. They have obligation. We all have obligation for upliftment of downtrodden - be

[Shri Sriballav Panigrahi]

they Harijans, be they tribals, be they people belonging to other castes or communities. I find that there are some people who get into Indian Administrative Service or other all-India services. But many of them just forget that once they were belonging to the Harijan community, tribal community. Instead we come across instances where, after being well placed, they establish matrimonial contacts etc., outside their own community. I am not opposed to such matrimonial contacts. But what I mean is that they should not forget about their obligation towards their own community.

Again, there is a question of caste barrier. Discrimination is coming up and is being discussed throughout the country. It may be because of historical and so many other social reasons. But physically they are well built and are capable of doing hard work. In fact, they are being exploited. If they are guided properly, very many things can come out and also they can build their own fortune without being exploited by others. At the same time, there are poor people belonging to higher castes. Therefore, I plead that those who attain a certain status, for instance, those who have attained a status wherein they are required to pay income tax, they should not get all the benefits as accrued to the SCs and STs, by way of reservation etc. They have been educated, they are earning well. What is the motive or philosophy behind it? It is for their upliftment, to bring them to a certain level and people who have now come to that level, should be kept out of this purview of reservation. This is my view. There are people, with the advantage of different schemes, who become upgraded, who have been placed well, who have been uplifted, who have risen above the normal level and such people should be kept out of the purview of different advantages by way of caste or creed, etc.

This Government is giving a lot of emphasis on the anti-poverty programmes. In fact, the objective of our planning is growth with social justice, growth with regional balance and not imbalance. In our endeavour, we are making serious efforts and the Centre is allotting enormous

amounts to different States for the upliftment of the down-trodden, poor class, etc. Schemes like NREP, RLEGP, IRDP are being implemented and carried on in the States and while nominating or selecting the beneficiaries also, preference is being given to the SCs and STs. What happens actually is that they are again harassed. They are harassed at the time of sanction of money, at the time of real payment. I am afraid that in some cases, the actual amount is not paid to them. Thereby they lose interest because of harassment, because the entire amount is not paid to them. From the very beginning, they lose interest in the process and thus, the scheme does not work properly. After the money is paid to them, necessary follow-up programme and necessary guidance has to be provided which in many cases is not there. Without proper guidance and follow-up programmes, the scheme will not achieve success as we expect it to be. These anti-poverty programmes must be monitored from the Centre. There are also Councils in different States, particularly with tribal and SC, ST dominated population. There are in certain States Councils for Scheduled Castes and Scheduled Tribes, but in some places these councils do not meet at reasonable intervals and also in some places the funds meant for the schemes for the tribal areas are being diverted. All these things will have to be taken note of seriously. These schemes should be monitored by the Centre.

The hon. mover of the Resolution has expressed his concern for these people and we share that. But all these things are already there; it is a question of proper and right implementation wherever it is not being done.

As I told you Sir, the use of liquor by these people is a great menace for them; it is like a *rakshah*; it is dangerous. Sometimes we feel the allotment of more funds by the Centre will reach these people and they are getting benefit out of this. But that is not so. We may have some statistics in our records to show that this much percentage of people have gone above the poverty line, but that is not so.

While I appreciate the Government of India's initiative for welfare of the down-trodden people, particularly tribals and Harijans, but at the same time, I request the Government to take note of the spirit of the resolution and try to plug the loopholes wherever they are. There is a agitation in Ranchi and elsewhere and discontent is growing among the people. The tribals are being exploited not only by other people, but by the tribal leaders also socially and politically. In some areas of Bihar in the name of *Jharkhand* movement what is going on? We have visited that areas and know the position by experience.

Finally, I support the spirit of this resolution but at the same time, I request the Government to take note of it and try to plug the loopholes and see that the tribal community gets benefits and they join the national stream of our progress and prosperity and our developmental efforts.

PROF. SAIFUDDIN SOZ (Baramulla): Mr. Chairman, Sir, I will not take much of your time. My predecessor has taken a lot of time and has expressed his ideas very nicely and in detail.

Sir, I find that this resolution is very much balanced, and I was provoked by this resolution to make a couple of suggestions only. I will not delve deeper because my friend has expressed his opinion on every aspect of the resolution.

Our Minister of Welfare has worked at the grassroot level and she has a lot of experience. I request her to consider this resolution and take up this resolution for serious action by the Government.

I would expect the Government to come forward with a suitable Bill. Of course, this Resolution cannot go through here, though we may support it. That will not achieve any purpose. But it has very good ideas. The tribal people have lagged behind. And what is touching in the Resolution is that even after 39 years of independence, the tribal people are not there

where they were. Of course, we cannot say that nothing has been achieved. There are so many achievements and their life style and the standard of living has changed considerably. But then there is no qualitative change in them. Therefore, I support this Resolution and urge the Minister to kindly consider to bring a Bill so that we can organise a qualitative change, for the better, so far as the tribal people are concerned.

My second suggestion would be, let the Minister kindly consider to have a survey. We sometimes speak for the tribal people and other backward classes like the Scheduled Castes and Scheduled Tribes and sometimes we tend to be bookish. We can go to the library, prepare a speech and then speak. I would request the Minister to kindly conduct a survey and let us know the socio-economic status of the tribal people. Where do they stand? What they have achieved during these 4 decades? What is their present status? So that we organise some action. So, there should be a survey.

Then, I would like to say that there are so many programmes, as my friend was referring that we have very laudable programmes and we want to cover the whole strata of people living around the poverty line, but whether these programmes have been implemented or not? And whether they have achieved something? Programme implementation is very important.

I would like to speak about one aspect but there is a very important resolution coming up after this and I am interested in that resolution also, so I would have to be very brief. But it is an aspect which requires pointed attention of the Hon. Minister. It has been touched by my friend very cursorily. It relates to the education of tribal people. If we want to change the society, the greatest and most effective tool is education. We do many things for education but I feel that some special measure will have to be taken for the education of the tribal people.

Now for the last 3 or 4 years, I have

[Prof Saifuddin Soz]

been saying that the funding in the Government school sector is very meagre. When the Model School Scheme was presented, I opposed that simply because those schools would become elitist schools. I wanted that money to go into the improvement and modernisation of the Government school sector. Only 3 percent of the student population at the elementary stage go to the private and public schools. Some private schools can be called public schools. It is a debatable point. What is a public school? I call all them as private schools because they are commercial concerns. If I were in any position to suggest to the Government, I would have suggested to socialise the education in this country. There should be no public or private school. All the schools should be socialised. All the schools should be under the Government sector. The bureaucrats', politicians', traders' - because they can give the capitation fee - sons and daughters go to the public school. But the majority of the population go to the Government schools, and they are in shambles. Last time, I told the Education Minister that you want 1500 crores increment in the Budget for the education but this will go only to the model schools which will create more elitist society and Government schools will remain in shamble. The Government school sector is in a very difficult situation where a common man's son and daughter are studying. So, what will be the position of the children of tribal people, you can very well imagine. Even the lower middle-class children are going in Government schools. These schools are suffering the shortage in every aspect. Last time Shri Narasimha Raoji said that they are having some 'Operation Blackboard'. He was telling me and others that they will provide blackboards to every school. I said, kindly provided a science kit worth Rs. 500 to every school. Then I will say modern India is organising modern education.

SHRI SATYENDRA NARAYAN SINHA: It includes improvements all round.

PROF. SAIFUDDIN SOZ That is correct. That was the idea. At least every primary school, every elementary school will have a

blackboard. It was made known to the Government and the Education Minister that there are so many schools where there are no blackboards. There is no chart. There is no science kit. There is no education. But India is to be educated. So, against that background, I am requesting the hon. Minister who has a lot of experience that something substantial, something qualitative should be done for the education of tribal people. Then only they will not remain tribals in their habits. The expression tribal confuses that they are backward. They are not backward culturally. They are not backward so far as their intellect is concerned. That intellect is to be sharpened. They have whole history. They are Indians. They are culturally as great as other people in India. But we have to provide education so that they become modern. They become a little more civilised. Therefore, education must receive a pointed attention. If there is a will it can give a lot of emphasis on education. I would remind the hon. Minister - I am speaking for tribals this time - that we feel concerned about the Scheduled Castes and Scheduled Tribes and also other down-trodden people. I will remind her, since she is in-charge of the Ministry of Welfare, that Indiraji had devised a fifteen point programme for the minorities, even though that has no direct relevance here. So kindly have an assessment whether that fifteen point programme has been implemented because that is also connected with a sector of people who are backward, if viewed from various angles. But my friend made a suggestion within the tribal people, within the minorities there may be social groups who are very rich, who are very affluent, we should have a method whereby we tell those rich harijans, those people who have come to a level that they will not benefit from the welfare schemes, that are essentially meant for the people who are down-trodden in the real sense of the term.

SHRI SIDHA LAL MURMU (Maurbhanj): Mr. Chairman Sir, I support this resolution.

The total population of India is seventy crores. We can divide it into four parts, viz., the Aryan Group, the Dravidian

Group, the Mangolian Group and the Clariyan Group. I support the resolution which is concerned with the tribes of Clariyan Group. Even after forty years of independence, the economic condition of the tribal people has rather deteriorated. The basic reason of this is illiteracy and non-implementation of the schemes made for their upliftment. They have not been able to take advantage of the various schemes formulated for them and that is why their problems remain unsolved. There is a provision for lunch for students in the residential schools, but the psychological study of the tribal children reveals that they suffer from a inferiority complex. This is the reason that their language is different. The Government spends huge amount of money on the welfare of Adivasis and Harijans. They are there in every State and speak the language of the same state and receive education in that very language. But the mother-tongue of Adivasis is different from the language of the State. They do not speak the language of the State and so are unable to get mixed with other people like Harijans. The tribal people are in such a position that they consider themselves inferior and thus do not mix with the people and citizens of the country.

The total number of tribal people in our country is 7.5 crores, out of which 5 crores speak Santhali. They live in Bihar, Assam, Bengal and Orissa. Their spoken language is entirely different from that of the official language of the State. They consider the latter as a foreign language. For they have been speaking an entirely different mother-tongue of their own since long. Their mother-tongue is Santhali in Ole Chick script. The State Governments should be directed by the Centre to give education to the tribal people in their own mother-tongue - Santhali. I congratulate the Chief Minister of Bengal for introducing the policy of giving education to the tribal students through the medium of their own mother-tongue at primary stage in his State. Similarly the Chief Minister of Orissa is also considering to provide education to the tribals through the medium of their

mother-tongue in Orissa. A Department of Santhali language has already started working in the Ranchi University.

What I mean to say is that the tribal people should also be given the same opportunities for development as are available to others. They can progress only by receiving education through the medium of their own mother-tongue and like other citizens of the country, they can also become self-dependent after receiving education. Mr. Chairman, Sir, I would request the hon. Minister, through you, to consider my suggestion and implement this programme.

Mr. Chairman, Sir, you are fully aware of the fact that we have been setting up various Commissions like the Dhebar Commission and the Mandal Commission from time to time for the tribals. The tribal people had submitted their memoranda to these Commissions also demanding that education be given through the medium of Santhali language. We the members of both Lok Sabha and Rajya Sabha have also submitted a memorandum to the Prime Minister to provide education to the tribal people through the medium of their mother-tongue so that after receiving education they may also achieve the heights of progress like other people of the country.

The Santhali speaking tribals live in the Mines Belt. Mr. Chairman, Sir, you know, that our projects for Irrigation, industries and forests are also being implemented there by displacing tribal people from their land while they have not at all been rehabilitated properly. That is why they are dissatisfied. None of the members of their families has been given the required employment in any of the industries. They used to depend on their agricultural land. But now they have not been allotted any land as compensation. The situation cannot improve unless the problems are solved. After forty years of independence, the tribals have started feeling that in spite of being Indian citizens they have not yet achieved independence in the real sense. They have to face a number of problems to become self-dependent.

[Shri Sidha lal Murmu]

I urge the hon. Minister to pay attention towards these matters so that they are uplifted. In Articles 19-27 of our Constitution, it has been envisaged that the people with the requisite percentage of population shall receive their education through their mother tongue. But it is not being done. It is, therefore, requested that directions be issued to every State Government to comply with this provision and ensure their expeditious development particularly in the field of education.

*SHRI A.J.V.B. MAHESWARA RAO (Amalapuram): Mr. Chairman Sir, I wholeheartedly support the resolution moved by Shri Dilip Singh Bhuria. Though it is more than 40 years since we attained our independence, the gap between the rich and the poor has not yet been bridged. In fact, the gap between the rich and poor has further widened. The rich have become richer and the poor poorer. If this is the general condition of the people one can well imagine the conditions of the tribals who are living in remote jungles and hilly areas. They are totally cut off from the rest of the country. Though the Central and State Governments have initiated several measures for their upliftment, their lot still remains to be improved. The benefits of various schemes like IRDP, RLEGP etc. have not yet percolated to their level. Many welfare measures have flopped due to poor implementation. The Government needs effective machinery and dedicated band of workers for carrying out welfare schemes. It is a fact that these poor tribals continue to lead the same miserable life, due to the failure of the Government to deliver the goods. There are many tribal areas in Andhra Pradesh, Madhya Pradesh, Maharashtra and Orissa. The tribal areas have no proper approach roads. The conditions in the tribal areas are so worst that they are not in a position to rush somebody who is critically ill to nearby hospitals. These areas do not have even primary health centres and primary schools which are the basic necessities. Even the essential commodities do not reach them due to the lack of proper roads. Though there are some hospitals in some tribal belts, they

are not functioning properly. There are no doctors in such hospitals. Doctors, who are posted in these hospitals are reluctant to take up their job there. They are reluctant to work in those inhospitable areas. Similar is the case with teachers. Mere allocation of money for the development of tribal areas will not do unless they are followed by effective steps like providing accommodation facilities etc. so that others can reach and stay in these areas and serve the people there. Sir, leave alone doctors, even teachers are not willing to work in tribal areas. Even if some teachers turn up out of compulsions, they will not remain there for more than 2 or 3 months. Hence, first of all the Government should take care of the needs of the professional people like teachers and doctors by providing them the minimum facilities. If this is done, the professionals and others who are posted in the tribal areas can stay there and save the tribals better.

Sir, tribals depend on forest wealth for their livelihood. Throughout the centuries, they depended on forests. But now, the Government is trying to deprive them of their livelihood by declaring the forests where majority of these tribals live as reserve forest areas. Now they can no more go to forest to collect their food or wood. On the one hand the Government snatched away their livelihood and on the other hand made no arrangements whatsoever to create alternative employment. It is a great injustice perpetrated on them. Hence proper steps should be taken to see that these people are not driven away from forests where they were living since centuries in search of some employment.

Sir, tribals are frustrated. The uneducated youth among them have no employment. Hence out of ignorance they take to violence. The educated tribals too are turning violent as they have no employment. The reservations are not being implemented and hence they are not being absorbed into jobs though they are suitably qualified. Hence every tribal youth in the country is beginning to think in

* The speech was originally delivered in Telugu.

terms of weapons and violence. If the suitable remedial steps are not taken to provide suitable employment to both educated and uneducated tribal youth, they may pose a threat to national unity. The tribals are well built and intelligent. The Government should take steps to mould them in the professions of their choice. If done so, the tribals would get their livelihood and the nation would stand benefited by their contribution in various fields. The Government should also see that the reservation policy is strictly implemented. Sir, the tribals grow crops after much difficulty. Since they cannot reach the markets where they could get prices which are remunerative, they depend heavily on the middlemen. The middlemen purchase the produce from tribals at throwaway prices and mint money. These middlemen are sucking the blood of tribal people. Hence the Government should take upon itself to purchase various items of their produce from them directly in order to ensure a reasonable price.

Before I conclude, I would once again request the Government to see that at least the minimum facilities like education, health, roads, telecommunications etc., be provided in tribal areas. I request that the policy of reservation be strictly implemented. I also request that many more programmes for the around development of the tribal areas be taken up and strictly implemented. The Government should ensure that the benefits of various programmes undertaken for the welfare of tribal people do reach them. The resolution moved by Shri Bhuria is quite timely and the Government should take steps to see that all the points mentioned in the resolution are immediately implemented. I hope the Government would accept this resolution.

I thank you once again for giving me this opportunity and conclude my speech.

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad): Mr. Chairman, Sir, after independence, the framers of the

Constitution examined, evaluated and concluded that the problems of crores of scheduled caste and scheduled tribe people living in India are different from those of other people. They had been constantly facing the problems arising out of their exploitation, backwardness, poverty and illiteracy. The framers of our Constitution realised this fact and this is the reason that special facilities were provided for them in the Constitution. It is wrong to say that nothing has been done for them since independence. The Central Government as well as the State Governments have taken a number of steps in this regard after independence. But still some facilities have not been provided due to some shortcomings as a result of which our hon. Member Shri Bhuria has to move this resolution in the House. Since the Resolution relates to Adivasis. I will confine myself to their problems. In this vast country, their population is scattered in various parts of the country and they are victims of neglect, poverty, exploitation and economical and cultural backwardness. In some states their population is more and in other States it is less. Their population is, however, found everywhere in Arunachal Pradesh, Orissa, West Bengal, Bihar, Uttar Pradesh etc. The 1981 census shows that there are 54 million tribals in our country and they constitute 7.8 per cent of the total population. The number of tribals in our country is fairly good but it cannot be denied that the Central Government formulated several plans to give education to their children, to uplift them, to provide them equal status in the society and to provide them shelter and drinking water. The Government has also reserved certain percentage of posts in the Government service for them. According to figures, a provision of Rs. 1100 crores was made in the First Five-Year Plan for the progress and welfare of tribals. It shows that the Government is very much concerned about the problems of tribals since the very beginning. The intention of the Government is very clear and it has always been endeavouring to uplift these neglected section of the people. When we take note of the total outlay of the Sixth Five Year Plan, we find that a provision of

[Dr. Chandra Shekhar Tripathi]

Rs. 5 crores was made in this Plan and various schemes were introduced for the welfare and upliftment of tribals. In the Seventh Five Year Plan also, provision has been made for the upliftment and development of 40 lakh tribal families under the Tribal Sub Plan, Component Plan, Special Central Assistance and Tribal Development Programme, etc.

It is also true that they have not achieved progress to the expected level. For this, sometimes we blame the Government and sometimes other institutions and committees who are responsible for the upliftment of tribals. In all fairness, the Government's intention has always been clear and it has endeavoured to uplift these down-trodden. The late Prime Minister Shrimati Indira Gandhi had visited Maisur during her tenure as Prime Minister. She also saw the huts of these poor tribals, met their children, asked about their well-being and tried to understand and solve their problems. We are proud that after taking over as Prime Minister, Shri Rajiv Gandhi, first of all visited Jhabua, a tribal area in Madhya Pradesh, represented by Shri Bhuria. It shows that our Government is concentrating its efforts on upliftment of the tribals. The Prime Minister visited the tribal families, talked to women and children, the old and the young, asked about their problems and formulated programmes accordingly. He also tried to know as to how much resources are being allocated by the Government, how many developmental works are being done and how much benefit the tribal people are getting from these programmes. It shows that the policy of the Government is quite clear and it wants that these neglected and exploited people should get a higher place in the society. Many provisions have been made in the Budget for this purpose and several institutions are also working to achieve this objective. But as has been pointed out by several hon. Members and I also support their views that there are some drawbacks in the implementation of these schemes as a result of which these poor persons are not getting full benefits of these schemes. In this context, I would like to suggest to the hon. Minister that all

of us want that all down-trodden, poor tribals, scheduled castes and scheduled tribes should progress and march forward shoulder to shoulder with others on path to development. We also want that all areas should develop without any discrimination whether they are hilly areas or desert areas. For this purpose, different Boards have been set up and sufficient funds allotted to them, rules and regulations have been framed, the policy has been laid down, the guidelines have been given and directions have been issued but whenever the question of monitoring of these works arose, it was got done through the same officers who were responsible for their implementation. The audit and inspection is also done by the same persons who are spending the amount and maintaining the accounts. It will not be possible to meet the ends of justice in this way. For ensuring justice and proper maintenance of accounts, it is necessary that the monitoring of an institution, to which the money has been granted for the development of any particular community or area, should be got done by an independent body. I would like to urge upon the hon. Minister that the representation of Government machinery alone in the monitoring body is totally wrong. Due to this wrong practice, the benefit of these schemes is not reaching the beneficiaries and corruption is spreading rapidly. With a view to monitoring the schemes at all levels and conducting proper audit of accounts of the organisations working for the tribals, a monitoring body consisting of both official and non-official members should be set up. It will be better if the Members of Parliament are also associated with these bodies because the Government is spending a lot of money on the schemes.

Ever since Himachal Pradesh attained statehood - previously it was a Union Territory - the work relating to construction of roads, electrification of houses and huts, supply of drinking water and opening of schools, was going on there and it appeared that through all these works the State Government was determined to uplift the poor tribals at a fast pace. But as I have stated earlier, a high powered and

independent body should be constituted to monitor the implementation of these schemes. Only then, we would be able to know why our schemes could not reach those people for which they were meant. I would like to request the hon. Minister to make provision for stringent punishment for those who have indulged in cheating and swindling of funds of these schemes and did not implement these schemes. We have seen in the constituency of Hon. Prime Minister that by sinking only three feet pipe into the ground, they claim on record to have made available the drinking water facility to the public. In my opinion, the provision of death penalty should be made in the C.P.C. for those persons who are found guilty of misuse of such funds at any level. None in this country has any right to make mockery of these developmental programmes. In the absence of appropriate laws and also due to slackness in the existing ones, some people are becoming rich day by day by pocketing the funds meant for the helpless and poor people. I would strongly demand once again that the monitoring system should be made effective and powerful and it should be so devised that the inspection should be done by a body other than the one that spends the funds. There are chances of dishonesty, corruption, and mis-reporting in a system where the spending and the inspection authority is one and the same. I am to submit that the Government should make effective provisions in respect of crores of rupees which it allocates for the welfare of the poor.

There is no need for the Central Government to allocate any additional amount. There are some lords - billionaires even among the tribals who also get the same facilities which the poor tribals get. Due to this, one lakh families out of a total of 53.54 lakh tribals, have cornered all benefits and higher posts in the Central Government and all facilities have got centered around their families and relatives and the rest of the poor tribal population is being deprived of these facilities.

Therefore, I would like to say in very strong words that in order to help the poor and to uplift the tribals, the Government should not treat those tribals as tribals who have become millionaires and billionaires, have got a say and authority and are occupying higher posts in the Central Government. When these persons are excluded from the list of scheduled tribes, the poor tribal families will get all the funds which are sanctioned by the Government for them. I, once again request the hon. Minister to bring forward a legislation on this subject so as to fix a limit that no Government facility would be available to a family whose income is more than Rs. 4-5 thousand. Until and unless this Law is enacted, these Adivasis will continue to remain poor for hundreds of years. I would, therefore, like to request you to withdraw the facilities from those Adivasis who have since become well off and are now availing of these facilities in the name of Adivasis. An income limit should be fixed for a family so that the standard of living of all Adivasis could be raised.

Besides, there are some Adivasis in the country who still live in the forests. There are lakhs of such people who have no home of their own. I am citing an instance from Mirzapur district which is being represented by Shri Panika. There are still some Adivasis in this district who dig caves and use them for living. The schemes made by the Government for these Adivasis do not reach them. There are large number of such Adivasi families who are living in utterly neglected and far-flung areas and use caves as shelter in the forests. I would like to submit to you that a survey of these families may please be conducted and their standard of living may please be raised on top priority basis.

The hon. Members have spoken a lot on education. A lot has been said about it in the Directive Principles of State Policy. A number of schemes are being run on universalisation of elementary education and adult education. In order to raise the standard of living of these Adivasis, it is very necessary that educational facilities should be provided to them. I have seen 10 to 12 year old Adivasi boys cutting

[Shri Chandra Shekhar Tripathi]

wood in the forests and carrying loads on their heads. I mean to say that their families are being maintained on the children's income. If the Government does not make arrangements for their food and shelter, their children aged 10 to 12 years will be compelled to work as daily wage workers. At the same time, the Adivasi children should be provided free education and they should also be supplied books free of cost. All these expenses should be borne by the Central Government. I am of the view that only when these arrangements are made for the Adivasis, their uplift can be possible.

Some traditional customs of these Adivasi brethren have become a part of their civilisation. These customs pose a hurdle to their uplift. The Government should put a ban on these customs. It is mostly seen that these Adivasis are habitual gamblers and addicted to home made liquor. It should be the responsibility of the Government to root out all these evils. It is all the more necessary to create a sort of awareness in them and make them understand that they should not waste the money, which is given to them for their developmental works, in gambling and liquor. This work can also be got done through voluntary organisations.

One more submission that I would like to make in this connection is that the schemes, already made or to be made should be chalked out keeping in view their civilisation, materials available and their work.

At places I have seen that large quantity of timber wood is available in far-flung forests. There is no need to construct houses of cement and iron at these places.

17.00 hrs.

Sir, in the district plans a decision is taken to construct a primary school at a cost of Rs. 70,000. It is possible to construct a primary school at a cost of Rs. 70,000 at places which are nearer to market or railway station and where cement, brick and iron are available. But a

primary school cannot be constructed at a cost of Rs. 70,000 at a place which is 50 kilometres from the market, is not connected by road and where cement, brick and iron are not available. It is, therefore, necessary that while preparing construction schemes for development, the Government should allocate more funds for far-flung areas and comparatively less funds for areas which are close to market. When funds are allocated on a uniform basis, it causes problems. For instance, while on a visit to a backward region named Kachhar in Basti district, I was told by the people that despite receiving sanction from the Government they are not able to construct the building for primary school at a cost of Rs. 70,000. The reasons they put forward were that the brick kiln was far from there, the cement is to be transported from a far off place and iron is available at a distant place. I would, therefore, like to say that while preparing development schemes, the Government should keep in view that as much funds as are actually required to implement the developmental works in far-flung areas are allocated. If funds are allocated on a uniform basis, only those areas which are close to cities will develop and far-flung areas will remain neglected.

17.01 hrs.

[SHRI VAKKOM PURUSHOTHAMAN
in the Chair]

With these words I congratulate Shri Bhuria for bringing forward such a good resolution. I would like to submit to the hon. Minister that he should bring forward a suitable and comprehensive Bill to implement the few suggestions made by me for the development of Adivasis.

[English]

PROF. NARAIN CHAND PARASHAR (Hamirpur): Sir, I support the Resolution which has been moved by Shri Dileep Singh Bhuria.

MR. CHAIRMAN: The extended time for this Resolution is over. So, we have to extend it by at least 15 minutes. Is it the pleasure of the House to extend the time by 15 minutes for this Resolution?

SOME HON. MEMBERS: Yes.

MR. CHAIRMAN: Mr. Parashar, you may continue and you may take only 5 minutes.

PROF. NARAIN CHAND PARASHAR: Sir, I support this Resolution which has been presented to this House with the spirit of helping the tribal people. Sir, the most important thing about the tribal people is that the geographical backwardness of these people should be properly looked into and tribal sub-plan as are being executed at present should be given a new look and this be reviewed and liberal financial allocations should be made for this tribal sub-plan. All these developmental works are quite all right and the Members have expressed their views. I would like to make two or three important points. There is a resentment among the tribals that one region of a State recognises a tribe as a tribe and the other regions of the same State are not. I would quote an example of Himachal Pradesh where 'Gujar' community is recognised as tribe in the old Himachal area. But in the new Himachal area, that is, before 1966, both Punjab and Himachal were one part. It is now 22 years past the people have been demanding that they should also be treated on par with their brethren in other parts of the State, that is, old Himachal Pradesh. Similarly, there is a move to have that list expanded and some tribes have been demanding for their inclusion. Now, one of the small tribes living in Darjeeling District, Sikkim, Meghalaya and parts of Assam - the Chief Minister of Sikkim has supported their plea - are demanding for inclusion in the list. But for certain reasons West Bengal has not so far included it. It is not the fault of those people.

The third thing that I would like to point out is that the tribal language should be developed. Hindi is all right. Let the people learn it. It should be a link language and it should be a national language. But it should not hinder the tribal dialect which is dying out. Some of them have very rich vocabulary and rich spoken literature. But for want of recognition and appreciation by

the Government they are dying out. I would refer to the case of Lahaul-Spiti where the people use to read and write Tibetan. But now unfortunately they are unable to read the religious books also because the arrangement for teaching and publication etc. of this language is no longer there.

Similarly Santhali is spoken by millions of people, but unless somebody is able to print some literature in it or something, some small booklet, people will forget their languages. So, I would plead that there was a practice with the DAVP to publish the wall newspaper which was published in all the major languages which are not included in the Constitution Eighth Schedule, but which was patronised by the Ministry of Information and Broadcasting, by the Press Information Bureau, by the DAVP, by the Publications Division, and it was also patronised by the All India Radio and various other agencies of the Ministry. So, when the spoken word is recognised as important, the written words also should be recognised as important. So, I would plead that the tribal languages may be given their due place. So far, 7.5% of the population in the country is tribal, but there is not even a single tribal language which has been accepted and listed in the Constitution or given some encouragement. So, I plead for not only the development of the region of the tribal people, the upliftment of their economic conditions, but also of the preservation and promotion of tribal culture which include the promotion and preservation of their dialects and languages and for making arrangements in the schools and institutions and by the Ministry of I & B for publishing suitable literature in them.

Lastly, I would re-emphasise the point again that certain groups being recognised in a part of the State as tribes and in the same State in other parts their not being recognised causes avoidable heart-burning, frustration and resentment. So, the hon. Minister will look into this aspect and also appreciate the demands of the people like Tamang who are willing to join the mainstream of the country and give them some

[Prof Narayan Chand Parashar]

protection by including them in the Tribal list when the sister tribes like Lepcha etc. are already in the Scheduled Tribes list. So, a comprehensive list and protection and promotion of their language and culture and development of their areas is the surest way to preserve the tribal identity of the people. Thank You.

THE MINISTER OF STATE OF THE MINISTRY OF WELFARE (DR. RAJENDRA KUMARI BAJPAI): Mr. Chairman, it is almost one year since this Resolution was moved by Shri Dileep Singh Bhuria on the 16th April 1987, and I am just replying on 18th March, It is almost an year now.

I must say in the beginning that Mr. Bhuria has done great service to the tribal people in highlighting their problems. It is also very much encouraging that all the Members, whoever have spoken on this Resolution during this period, either on this side or on that side, have shown keen interest in the tribal problems. It shows that the nation wants it because Parliament has discussed these problems for the whole year. It shows the concern of every section of our people and those who are representing the people in Parliament. It is not only the tribal group Members, but everybody is concerned and the Government is also concerned with the development of tribal people.

The four points which had been raised in this Resolution are:

- (i) take necessary measures for proper and effective implementation of various welfare schemes in tribal regions;
- (ii) open more schools and adult education centres in the tribals regions;
- (iii) give priority in employment to tribal people in various Government developmental schemes viz, construction and other works undertaken through the Departments of Irrigation, Public Works, Forest Development, Public Health and Rural Engineering etc. in tribal regions; and

- (iv) purchase their forest produce at reasonable prices.

Sir, as the points are raised through this Resolution, Government have taken up so many steps in this direction. First of all, I want to assure the House that Government have seriously considered all these points and already taken up steps in this direction. The tribal sub plan approach is nothing but the development plan for the tribal people. From the figures you will see that in terms of financial involvement, there has been considerable improvement over the years, for the development work. The investment during the 7th Five Year Plan period for tribal development is of the order of Rs. 10,500 crores. This is almost double the amount of what is provided in the 6th Five Year Plan and about 10 times more than that of the 5th Five Year Plan period. During the Fifth Five Year Plan period, tribal development plan was envisaged and taken up. In these three Plan periods, more money is invested and allocated for economic development of the tribal people. The tribal sub-plan is implemented through 184 Integrated Tribal Development Projects (ITDP). There are 184 tribal development blocks all over the country where the tribal population is concentrated, and 285 MADA pockets. I need not explain it because, I do not want to take much time on this.

We are paying special attention to anti-poverty programme and our estimates are that during the Sixth Five Year Plan period, about 39 lakhs tribal families were assisted economically so as to enable them to cross the poverty line and further during the 7th Five Year Plan, a target of assisting 40 lakhs scheduled tribe families have been set. So, the achievement during the first 2-1/2 years of the 7th Plan period, i.e., 1985-86, 1986-87 and first 10 months of 1987-88 (upto January, 1988) has been 8.73 lakhs, 10.28 lakhs and 7.96 lakhs tribal families respectively. These are the figures which are not only on paper but actually these are the beneficiaries and these families have come above the poverty line.

Again, some of our hon. Members have raised the problem of forest produces of

the tribals. In order to solve this problem, we have decided that cooperatives which were established in the form of LAMPS can be strengthened and for that we have now constituted apex body of the cooperatives in the tribal areas for giving booster to tribal produce, to give price support and marketing facilities. From the first of April, it will come into operation. Other preparations are being made. This will help in giving remunerative price to the tribal produce. There are States which are producing tribal produce. There are some monopoly purchases also. But that has not solved the problem. That is why, we want involvement of tribal people also. For that, State Corporations, tribal corporations and agencies at the lower level will help in sorting out this problem.

Now, we have adopted family oriented poverty alleviation programme. These are IRDP and the employment oriented programmes such as National Rural Employment Programme and the NREGP which have become the main instruments for economically assisting the tribal families to cross the poverty line. These Programmes help the tribals. The hon. Members want that we should effectively implement all the various tribal welfare schemes in the tribal areas. These programmes are being implemented.

Most of the hon. Members have mentioned about education and the lower percentage of education among the tribals. It is true that still the percentage of literacy among the tribals is quite low but it is gradually increasing. If you take the figures from 1931 it was 7.5%; in 1961 it was 8.54%; in 1971, it was 11.29% and in 1981 it was 16.35%. That means it is increasing year to year. But, at the same time, we cannot say that it is quite satisfactory. We have to improve this.

In the new Education Policy of 1986, a suggestion has been made for the education of Scheduled Castes and that has been adopted also. First priority will be accorded to set up primary schools in tribal

areas. Shri Dileep Singh Bhuria also wanted more schools and adult education centres in tribal regions. In our Education Policy, we have taken care of this and it has been decided that the construction of school buildings will be undertaken in these areas on priority basis.

The socio-culture milieu of the STs has its distinctive characteristics including in many cases their own spoken languages. Just now Prof. Narain Chand Parashar was saying about their languages. Four or five hon. Members also said about this matter. In our Education Policy, we have taken care of this and this underlines the need to develop the curricula and devise instructional materials in tribal languages at the initial stages with arrangements for switching over to the regional languages. Educated and promising school youths will be encouraged and trained to take up teaching in tribal areas. We have started on these lines. Residential schools including Ashram schools will be established on a large scale. Incentive Schemes will be formulated for the Scheduled Tribes keeping in view of their special needs and lifestyles. Special remedial courses and other programmes to remove psycho-social impediments will be provided to improve their performance in various Courses.

Schemes have been drawn up for conducting coaching classes so that from 8 and 9 classes, boys and girls are specially trained and their knowledge is improved so that they can compete in other higher competitions. We have taken up that also.

The curriculum at all stages of education will be designed to create an awareness of the rich cultural identity of the tribal people as also of their enormous native talent. Hon. Members have expressed this in the resolution. Government has already adopted and accepted it and we are in the implementation stage. We have drawn up an action plan and in the coming years we will be working on these lines. So, the suggestion that has been made through this resolution is in the interest of the tribals and it has helped us. I think that there will be no further cause of disappointment

[Dr. Rajendra Kumari Bajpai]

and we will be solving the problems on this line also.

Regarding providing employment, I would like to say that only after giving education, giving proper training and job-oriented education, they will be able to have employment and other things. Then only they will be able to come up in the competition. In all the departments, we are going to do this.

One point which has been raised during the discussion is about the land alienation and land acquisition for projects etc. The Government has taken a new initiative and now the Bureau of Public Enterprise has, of late, issued guidelines for land acquisition and rehabilitation aspects, involved in major projects. These are one of the causes of dissatisfaction among the tribal people. This point has been raised again and again. This point has also been taken care of. Under the guidelines, it is provided to have a Rehabilitation Cell which would be in charge of the Rehabilitation of these people - both social and economic. It has also been provided in the guidelines that rehabilitation costs hereinafter be a part of the project cost. So far as the tribals are concerned, the guidelines provide that rehabilitation schemes would be prepared in consultation with the Ministry of Welfare and the Ministry of Environment and Forests. As per the guidelines, a standing Committee under the Chairmanship of our Deputy Minister has been constituted and we are monitoring it. We will see that these rehabilitation schemes for the displaced tribals under the major projects be taken care of and under these guidelines, I think, in future whatever projects are taken up, the rehabilitation costs will also be included in that.

Sir, Shri Arvind Netam has raised a point regarding allowing tribals to decide the course and quantum of development themselves. This is a good suggestion and I welcome it. I also agree with him. It is the Government's endeavour to improve the involvement and participation of tribals

in institutions like Gram Panchayats, Panchayat Samities, Zilla Parishads, Autonomous Development Authorities in tribal regions, tribal cooperatives including LAMPS, Project implementation Committees. From the ground level, the tribals are involved in all these activities. The recommendations of the working Group on development of Scheduled Tribes during the Seventh Five Year Plan in this regard have been brought to the notice of the State Governments for implementation. I have taken up the matter with the concerned State Chief Ministers, having Tribal Advisory Council to call meetings of the councils more frequently and utilise these forums in the field of tribal development and administration of tribal areas. I agree with Mr. Soz that this policy is there already but the implementation part of it is not that much. All the hon. Members have been exercised on this point. They have highlighted these things.

Shri Shahabuddin and some other Members mentioned the low level of infrastructural facilities in tribal areas compared to non-tribal areas. Under the Tribal sub-Plan strategy funds from State Plan, Central Ministries are separately quantified for tribal areas. Separate demand numbers/major heads/sub-heads have been created in the State budget so that funds meant for tribal areas are not diverted to other areas. Special Central Assistance is made available as an additive to the State Plan Fund in the priority sectors of tribal development. This has resulted in creating more infrastructural facilities in the tribal areas such as, roads, dispensaries, hospitals, schools, residential schools, rural water supply, rural electrification, minor irrigation schemes.

One point also was raised about giving incentives to officers and employees who will be posted in tribal areas. This incentive scheme is there and States are implementing it.

MR. CHAIRMAN: What do you say about their cultural activities? They have got folk dances and tribal dances. That is also, nowadays, disappearing. You will have to take some steps to keep it alive.

DR. RAJENDRA KUMARI BAJPAI: It is our policy. The tribal traditions and tribal culture must be maintained and they should be preserved. In our Education Policy also, we have taken up this language problem. In their own language, they can have their cultural activities. For that, we have got about 12 tribal research centres and with that, tribal museums are also there where their old things, dresses, costumes are preserved. People go and study there. Research work is also going on in this. We want to preserve that. This is our open declared policy. Still, there are some primitive tribes. They are not coming out. Those who are coming out and mixing up with the mainstream, we do not want that they should forget their own culture and tradition. They should maintain that. We encourage them for that. That is Government's policy.

Again Shri Shahabuddin and Shri K.P. Singh Deo referred to the problem of distressed tribes. I have already mentioned about it.

Shri Somnath Rath and Shri Chintamani Jena referred to the difficulties experienced by the tribals in marketing forest produce. Already, we have solved that.

SHRI RAM PYARE PANIKA (Robertsganj): I have asked to revise the list of Scheduled Castes and Scheduled Tribes because many tribes are left out. This revision must come in this session itself.

DR. RAJENDRA KUMARI BAJPAI: That is under active consideration of the Government. We have worked on this. As you know, when the Bill will come in Parliament, then only, we will be able to do something.

✓ In conclusion, I would like to mention that over the decades, the programmes and schemes for development of tribal people and tribal areas have been drawn up and refined with the objectives of successfully reaching them for their benefit. The endeavour of the Union and State Governments is to ensure rapid development of the Scheduled Tribes. It

will be our continuous effort to remove impediments that stand in the way of their rapid development. I am sure that in this task, the cooperation and assistance of all sections will be available.

Having regard to the reply given by me, may I now request Shri Dileep Singh Bhuria to withdraw the Resolution.

MR. CHAIRMAN: Now Mover to reply.

SHRI DILEEP SINGH BHURIA (Jhabua): I require half an hour to reply to 42 Members.

MR. CHAIRMAN: You be as brief as possible.

[Translation]

SHRI DILEEP SINGH BHURIA (Jhabua): Mr. Chairman, Sir, while bringing forward a resolution regarding the development of the Adivasis, I had a point in mind that the hon. Members should highlight the problems of the Adivasis and express their concern for them. I am happy to note that 42 hon. Members participated in the debate. All of the hon. Members supported this resolution and expressed their concern for the Adivasis.

[English]

SHRI T. BASHEER (Chirayinkil): Only tribals are sitting here. All other have gone.

MR. CHAIRMAN: Very few are interested in tribals, that is all.

[Translation]

SHRI DILEEP SINGH BHURIA: I express my thanks to all those hon. Members and the hon. Minister. I do not want to go into statistical details. The development which ought to have taken place of these people and the task of connecting them with the mainstream and bringing them at par with other people of the society has not been done even after 40 years of independence. There can be a number of reasons for that. It is absolutely correct, as

[Shri Dileep Singh Bhuria]

has been said by the hon. Minister, that crores of rupees have been allocated for this purpose. Our hon. leaders, Pandit Jawaharlal Nehru, Shrimati Indira Gandhi and Shri Rajiv Gandhi took keen interest in tribal development. But we have failed to bring them to the mainstream which we should have done by going to their villages and staying amidst them.

The Central Government entrusts the State Governments with all the works related to tribal development. The State Governments on their part take action according to their own view point. It is due to all these reasons that the Adivasis cannot march forward. The Government has gained a lot of experience during the last 40 years and it should not hesitate to set up an agency to develop the tribal areas. The Government allocates funds for various schemes and these funds are being utilised. Even then their condition is worsening. If a patient does not come round by a light dose, he is given a heavy dose. Similarly, the Government should set up an agency which will work as a heavy dose and bring them to the mainstream. If it is not done, they cannot come at par with other sections of the society even in hundred years. Though Government is increasing the reservation quota for the last 15 years, yet the required number is not coming for recruitment in services. The Government should enact a law making it compulsory for all departments to fill up the reserved vacancies only by the candidates belonging to these communities. If this is not done and these rules are not compulsorily followed, the facilities which ought to have been made available to these people will not be available to them inspite of our holding discussions here.

The Government, by a law, should make it mandatory that no other person can acquire adivasi land. If at all anybody acquires, it will be with the prior approval of the Government. The Government should also enact a law on national labour as it has enacted several laws on various subjects.

A law should be enacted at the national

level that no non-tribal can acquire tribal land. If anyone does so, he will have to pay compensation or provide employment to the tribal concerned in lieu thereof. The situation today is that, the non-tribals have acquired tribal land thereby ruining them. The Adivasis know either farming, working as a labourer or putting hard labour. They do not know anything beyond that. The Government acquired their land and developed industries on it or utilised the land for some other purpose. Now they are left with nothing. Since they are accustomed to wild life, they earn the livelihood of their family from various forest products and also through hunting. But due to gradual denudation of forest, they have become helpless as to where to go, what to do and what to earn. Drought has hit all parts of the country. In Madhya Pradesh, it is most severe in the Adivasi areas. It is, therefore, necessary that the Government should prepare a time-bound programme and earmark a fixed amount for their development so that they could be brought to the mainstream. It is all right that a sort of awareness is developing in them gradually. Even then, a time-bound programme should be prepared and a fixed amount should be earmarked for their development.

The hon. Minister, has stated that a tribal project has been launched for them. But I know that earlier the tribal project was a very specific project. The hon. Minister also said that the Government is formulating a family benefit scheme for them. But he did not spell out the details of the scheme.

Today, the Government spends crores of rupees and brings the Adivasis above the poverty line. But some vested interests throw them back to the same line. They grab their money. Further, there is no guarantee that the people who are being brought above the poverty line will not fall below the poverty line. I, therefore, would like that the Government should check those non-tribals who are exploiting the tribals and should not allow any non-tribal to enter tribal areas. Unless the Government draws a specific line to ensure that the benefits being extended to Adivasis ac-

tually reach them, it will be of no use.

Today the Government is connecting villages by roads and is opening hospitals. But the Adivasis do not gain anything out of it. If the Government wants to improve the lot of the Adivasis, it should treat the entire 5.4 crore population of Adivasis as one unit and develop it. It should provide them employment, land, and such work which they can do. The work so provided should fall within their culture. They know rearing of cows, buffaloes and goats. They should be provided such type of work so as to enable them to march forward.

So far as education is concerned, if we exclude cities, only 5 per cent girls are educated, because the entire tribal population lives in villages. In Madhya Pradesh, their literacy percentage is hardly 9 to 10 per cent whereas their population is about 20 lakhs. This is my experience that the education scheme of two-three hours will not be of any use for the poor Adivasis as the teachers teach them only for one hour and wander for the rest of the time. These teachers join them in their evils and as a result, they are further spoiled instead of becoming prudent.

I would request the hon. Minister to treat every Panchayat a unit and make a resident roster separately for boys and girls and employ ten to fifteen teachers there. The Government should bring forward a resolution that no Adivasi child, male or female born after the year 1988 will remain illiterate. The child should be provided with financial aid if his parents are poor and if he goes either for doing labour or for grazing cattle. Mahatma Gandhi's dream of a socialist society would become meaningful only when the whole society lives unitedly and benefits of our national resources go to all. Why is it so that such a large section of the society is backward? Nobody knows how to bring them into the mainstream. This question is of great concern to us today. We can get success only when we make these programmes effective. Today there are different cultures in our country. But what steps have been taken to develop the culture of Adivasis? It looks very odd when the tribal is asked to

give a dancing performance at the arrival of a VIP. What is all this? When we come to Delhi, no other culture is shown to us. This should be stopped. Today, taking snaps of Adivasis of Bastar or Jhabua has become a practice in the country. How do you want to keep their culture alive?

We must try to stay amidst them and mix up with them to win their confidence. Today most of the Government employees and officers visiting adivasi areas are engaged in exploiting them. Outwardly all of them talk of serving the poor, but practically when these officials reach tribal areas the Adivasis get suspicious about their intention. Thereafter these officials just leave that village and move to another village. Hence the Government should create an institution on the strength of sincere and social workers and officials who really wish to serve them, are ready to live amidst them and are prepared to share their agonies. The formation of a voluntary agency is very essential to instil confidence in the poor Adivasis. Unless such an agency is set up, they will not be able to know the language and culture of each other. In the absence of such an intense relation with them, most of the Government schemes remain incomplete. How much do they spend on these schemes. The expenditure is only on paper. That is why we do not get the desired success.

I would request the hon. Minister to ask the Commission for Scheduled Castes and Scheduled Tribes and tribal agencies to formulate a time-bound programme to ensure the development of Adivasis. The Constitution makes it obligatory on the part of the Governor of a State having Adivasi area to report to the Central Government, but till today...

PROF. MADHU DANDAVATE: How will he report, he is a slave.

SHRI DILEEP SINGH BHURIA: This is not so. I ask you why do not you use that Agency for this purpose? The Governor of the State must visit that tribal area at least once a year to see whether the Government schemes formulated for the welfare of Adivasis are really being implemented or

[Shri Dileep Singh Bhuria]

not? If any shortcoming comes to his notice, he should give instructions to the State Government to remove that shortcoming.

The meetings of Adivasi Advisory Councils are not held for two to three years and as a result they do not function as actively as they should. You should pay attention to all these things. Upliftment of these Adivasis is not possible unless a proper system is developed. The Members of Parliament can also be invited to these meetings. Only once you had invited us for discussion but I want such discussions to be held at least once in three or four months. I do not say that non-*adivasis* do not think about the well-being of *Adivasis*. They also know a lot about these tribals and take great deal of interest in them. There are many people in the country who believe in socialistic ideology, have a concern for the poor and want to do something for them. I request that such people should be associated with these councils.

Many people think that the forests are cut by *Adivasis*. This is a wrong notion. These forests are being cut by contractors and only they are responsible for their gradual destruction. As you provide land to the farmers for farming, in the same way, the contract of planting bushes and trees should be given to *Adivasis*. They will do this type of work in a better way. The *Adivasis* like to live in forests. They do not want to go to the cities. They hate cities. They come to cities in search of work only when they become helpless. The Government is running many schemes and is spending a lot of money for the upliftment of *Adivasis*.

I request you to hand over the forests to these *Adivasis* because the forest is an inseparable part of their life. I would also like to say that you have built a number of major irrigation projects in tribal areas and many more of such projects involving evacuation of tribals from their lands are likely to come up in the near future. I would like to urge upon you that when you evacuate *Adivasis* from area, you should

acquire irrigated land belonging to other people and hand it over to them as they want to settle within the radius of about 10 kms. At present tribals are not being helped timely despite power projects, irrigation projects, industrial projects and mining projects having been set up in their areas. Before evacuating them from the area, you must provide them with houses, food and means of livelihood because they are too simple to know the rules and regulations of the Government... (Interruptions)... I want to conclude my speech with these points.

If the hon. Minister replies two-three points that I have raised and gives clarifications thereto, I shall withdraw my resolution. The Government and Hon. Shri Rajiv Gandhi have formulated many schemes and have also supplied wheat to tribals. Although the object of spending this money is good but the intention, the policy is not just. We have Schemes but we did not get success in implementing them. Hence, I would like the hon. Minister to clarify how is he going to set up the Implementation Agency.

DR. RAJENDRA KUMARI BAJPAI: The hon. Member has put forward very valuable suggestions. So far as the question of Agency is concerned, provisions of development blocks were made in the Fifth Five Year Plan and they were considered to be helpful in extending this work further. It was done primarily to accelerate this work by taking funds from different departments and special assistance from the Centre. But so far as the drawbacks in the implementation are concerned, there is need to accelerate the pace of the schemes and to involve the tribals at lower level, panchayat and village level. While replying to the discussion, I had stated that the proposed agency should be such through which all works from bottom to top could be done at one place. I also agree with Shri Bhuria that tribals should not be made to give dancing performance if it is seen with that intention, but if we want to keep the tribal culture alive, various efforts for the development of this culture must continue. We have started such schemes which could generate work for them pertaining to tribal

produce. We shall see that these works are increased further in future. All the points mentioned by the hon. Member in his speech are covered under the policies of the Government. As he has himself said, our Hon. Prime Minister is taking keen interest in it and have gathered knowledge about the problems of villagers by visiting these areas personally. The Government is further strengthening the monitoring system to ensure development of these areas in reality and not merely on paper.

This is a fact that these people are very backward from education point of view. Even the Operation Black Board has not made much impact in those areas. The objective of "Operation Black Board" is to educate these Adivasis in specific time-frame. So we are committed to all these things. I think Shri Bhuria will now withdraw his resolution.

SHRI DILEEP SINGH BHURIA: The hon. Minister and particularly our Prime Minister is concerned about the development of Adivasis. Enough discussion has taken place on this resolution.

[English]

MR. CHAIRMAN: You please say whether you are withdrawing it or not.

[Translation]

SHRI DILEEP SINGH BHURIA: I withdraw my resolution.

[English]

MR. CHAIRMAN: Has the hon. Member leave of the House to withdraw his Resolution?

SOME HON. MEMBERS: Yes.

The Resolution was by leave, withdrawn.

17.53 hrs.

RESOLUTION RE. CENTRE-STATE RELATIONS

[English]

MR. CHAIRMAN: Now we will take up other Resolution. Shri H.M. Patel.

SHRI H.M. PATEL (Sabarkantha): I rise to move:

"This House expresses its deep concern over the present Centre-State relations and demands their early restructuring so that federalism underlying our Constitution is made more meaningful."

SHRI SHANTARAM NAIK (Panaji): Sir, I propose to move an amendment to this.

MR. CHAIRMAN: You can move only after the speech.

SHRI SHANTARAM NAIK: I would like to read out the Rule and then you can decide.

I will read out the Rule for you and then I will obey your ruling. There is no problem.

Rule 177(1) says

"After a resolution has been moved any member may, subject to the rules relating to resolutions, move an amendment to the resolution."

MR. CHAIRMAN: That is all right.

SHRI SHANTARAM NAIK: So your ruling is that I can move my amendments afterwards.

MR. CHAIRMAN: Moving of Amendment includes the speech.

SHRI SHANTARAM NAIK: If that is so, then it is all right.

MR. CHAIRMAN: After the speech, you can move your amendments.

SHRI SHANTARAM NAIK: Once you have given the ruling, it is okay. I will obey it.

MR. CHAIRMAN: Shri H.M. Patel.

SHRI H.M. PATEL: Mr. Chairman, Sir, the way the first Article of our Constitution says that India is a Union of States, the implication is clear. The framers of our Constitution were quite clear in their minds that notwithstanding certain unitary features of the Constitution ours was to be a federal set up. These unitary features came in because of the special circumstances that obtained at that particular point of time. The partitioning of the country, the enormous bloodshed that followed and various other developments in certain other parts of the country like Telengana where a virtual rebellion was taking place, all these led the framers - founding fathers of our Constitution to ensure that the Centre should be made strong. They realised however that this did not mean and need not necessarily mean that the States should be in any sense made weak. Therefore, in all the provisions which they have laid down, they have seen to it, that a proper balance was maintained and the States also remained both autonomous and strong.

Nevertheless, certain other developments took place. Most important of which was that within a very few months of our Constitution being passed, the then Prime Minister, Mr. Jawahar Lal Nehru and the Government decided that a Planning Commission should be set up. It is the establishment of the Planning Commission which led to certain distortions in the entire relationship between the Centre and the States. This was not something deliberate.

But it was mainly because of so much importance laid at that point of time by the Government to the development of the country, through proper planning. That was mainly a Resolution of the Government and not any Constitutional arrangement. Even the Constitution of the Planning Commission, the powers that were given to the Planning Commission, its Terms of Reference were by a decision of the Government and not formally brought in through the Constitution. It is one of the recommendations of the Sarkaria Commission that the Constitution should be amended to make this point clear. What I propose to do, Mr. Chairman, later when I have time is to show how important it is for the Government to make up its mind on the recommendations of the Sarkaria Commission so that the Centre State relations which really have deteriorated as badly as have possibly can and have generated enormous amount of bitterness in the States, because the States are made to be supplicants before the Centre for their developmental plans and activities.

18.00 hrs.

This was never the intention of the Constitution. The Constitution has made it perfectly clear that the States had a definite role to play in the governance of the country.

MR. CHAIRMAN: Mr. Patel, you can continue your speech next time. The House now stands adjourned.

18.01 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, March 21, 1988/Chaitra 1, 1910 (Saka).